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Reportage on Talks To Defuse Spratlys Tensions

Romulo Urges Halt to Arms Buildup

HK3105063893 Hong Kong AFP in English 0446 GMT 31 May 93

[Text] Manila, May 31 (AFP)—The Philippines called Monday [31 May] on rival claimants to the Spratly Islands to agree to halt the arms buildup around the disputed South China Sea chain, as regional marine scientists gathered here to identify areas of cooperation. "Let that sea be a bond that links us together instead of a barrier of contention that drives us apart," Philippine Foreign Secretary Roberto Romulo said as he opened the first working group meeting on marine scientific research in the South China Sea. "Let us all desist from further building up armaments in that sea. Let no military movements disturb the tranquility of its waters again," he added.

Military forces from China, Malaysia, the Philippines, Taiwan and Vietnam have garrisoned many of the islands and coral reefs in the strategic archipelago to reinforce their territorial claim on the whole or part of the chain. Brunei has also staked a claim over the islands. The Chinese and Vietnamese Navies engaged in a brief but bloody clash in the area in 1988, and the region has been on edge over a perceived naval buildup in the area, particularly by regional giant China.

Romulo said the conflicting claims of sovereignty over the Spratlys would "test our ability, wisdom and will to manage a situation of incipient conflict through dialogue and consultation, through measures that allay suspicion and build confidence." The workshop, which ends Thursday, would aim to "discover pragmatic modes of cooperation in specific fields with national and regional application," he added. The conference chairman, Singgih Hadipranowo [name as received] of Indonesia, said the meeting should "lead to confidence-building among countries in the area," and if this were achieved, "the possibility of conflict in the area would be reduced."

The six claimants differ on approaches toward a resolution of the territorial conflict, and have so far shied from sitting down together to discuss their overlapping claims. Participants to the Manila conference, an offshoot of three previous meetings on the Spratlys hosted by Indonesia, are attending on their personal capacities despite

the fact that many of the participants belong to official agencies of their respective governments. Romulo said that by developing and expanding cooperation over the area, "we move closer to creating the environment for peaceful consultations on contentious territorial and jurisdictional issues as well."

The four-day workshop is sponsored by the Canadian International Development Agency and the University of British Columbia. Aside from the claimants, the other participants come from Indonesia, Singapore and Thailand, which—with Brunei, Malaysia and the Philippines—make up the Association of Southeast Asian Nations.

The workshop is scheduled to tackle such areas as fishery research, non-conventional energy, meteorology, biodiversity, and environmental phenomena, but steered clear of such areas as oil exploration. The Spratly archipelago is reputedly rich in oil and mineral resources, and China has gone ahead with prospecting in the area after engaging the services of a U.S. oil firm.

Philippine sources said participants avoided the topic because it would open up questions of territory. Senior Indonesian diplomat Hashim Djalal, who took charge of the three previous Spratly conferences in his country, told reporters all of the claimants have expressed agreement to the idea of the joint development of the archipelago.

Claimants Agree To Freeze Troop Levels

HK2805151693 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 28 May 93

[Text] As part of the effort to reduce regional tension, the Southeast Asian countries have agreed to freeze the number of troops deployed in the Spratly Islands. [Philippine] Foreign Affairs Undersecretary Rodolfo Severino has supported this move, saying that it will reduce tension among the claimant countries, China, Vietnam, Brunei, Malaysia, Taiwan, and the Philippines. Except for Brunei, all the countries named—including the Philippines—have troops stationed in the Spratly Islands.

Severino also said that this is not the right time to call an international conference to solve the problem. It will be recalled that the Philippines is the host for formal talks among the claimants to the islands with a view to resolving any misunderstandings during the year.

Japan**Market Access Package Talks With U.S. Viewed***OW2805233993 Tokyo KYODO in English 2311 GMT
28 May 93*

[Text] Washington, May 28 KYODO—Japanese and U.S. officials ended two days of talks Friday to seek mutually acceptable terms for a market access package in the Uruguay Round of global trade negotiations.

Both countries have offered to lower import tariffs for industrial and farm products and open up services trade. This week's talks were aimed at tightening up loose ends and sounding out each other's negotiating positions, Japanese officials said.

"We sort of compared notes, which we found quite useful," said chief Japanese negotiator Nobutoshi Akao after the session.

The Japanese delegation was represented by an interagency team that includes officials from the Foreign Ministry, the Ministry of International Trade and Industry, the Finance Ministry, and the Transport Ministry.

The U.S. team was led by John Schmidt, the chief U.S. negotiator for General Agreement on Tariffs and Trade (GATT) talks.

The Washington meeting was part of a flurry of talks set up by the world's major industrial powers to work out a major Uruguay Round market access package in time for the Group of Seven (G-7) summit meeting in Tokyo in early July. The package covers reduction of import tariffs for both mining, industrial and processed farm products as well as the removal of barriers to services trade under GATT.

Akao said he expects the market access deal to be wrapped up when trade ministers from Japan, the United States, Canada, and the European Community meet in Tokyo on June 23-24. "I don't think there would be any more negotiating session after the quadrilateral meeting in Tokyo," he said.

The four trade ministers are also due to meet in Paris next Wednesday to assess progress of the market access package, a key element in the tortuous Uruguay Round.

While the G-7 countries have vowed to complete the market-access package by the July 7-9 summit in Tokyo, knotty problems still remain. Informed sources said the G-7 may not be able to reach a breakthrough in market access items by June, both in services trade and tariff cuts.

Among the problem areas cited include Japanese resistance to allowing foreign lawyers to operate in Japan and the removal of U.S. restrictions on maritime transport.

The European Community has also balked about freeing television programs for foreign participation.

The industrial powers have yet to resolve all their differences over import tariffs, with each party seeking deeper cuts in areas where it is more competitive, sources said.

Central Bank 'Intends' To Halt Yen's Rise*OW0106112893 Tokyo KYODO in English 1113 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—The Bank of Japan [BOJ] intends to take "adequate measures at appropriate times" in close communication with the United States to halt sharp rises by the yen against the U.S. dollar, central bank sources said Tuesday. The strategy was disclosed as the yen on Tuesday renewed its intraday high against the U.S. currency, hitting 106.88 to the dollar at one point in Tokyo interbank trading.

"The yen's rises are too rapid," said a BOJ official who declined to be identified. He added that the central bank will move decisively to halt further sharp jumps.

After Tokyo, the yen continued renewing its highs in overseas trading. It hit a new postwar record of 106.55 to the dollar in Zurich, and touched a high of 106.70 in London in early trading.

The yen started rising again early last week after almost a month of calm. That was shattered when U.S. Treasury Undersecretary Lawrence Summers said the U.S. does not want a sharp appreciation of the yen.

But Japanese dealers said market players around the world took the comment to mean that the U.S. did not seek to stabilize the yen, just stop an across-the-board decline of the dollar.

U.S. monetary authorities are condoning speculative buying of the yen in foreign exchange markets because the pace of economic recovery has slowed in the U.S., they said.

Dealers predict that as long as the dollar stops sliding against the German mark and maintains value as a major currency, the U.S. will not be enthusiastic about halting the yen's rise. They predicted the yen could rise to the 105 level to the dollar this week.

Mori Reiterates Rejection of Pump-Priming Calls*OW0106024893 Tokyo KYODO in English 0235 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Japan will seek to convince its major trading partners that a further advance of the yen will hinder the nation's economic recovery, Trade Minister Yoshiro Mori said Tuesday.

Mori, minister of international trade and industry, told a press conference after a cabinet meeting that Japan will reject any demands from trading partners for further pump-priming measures at the upcoming meeting in Paris of the Organization for Economic Cooperation and

Development (OECD). "And we'll tell them a further rapid rise of the yen will throw cold water on the economy," he said.

Mori said he wants to convey the Japanese position on a strong yen to U.S. Trade Representative Mickey Kantor and U.S. Treasury Secretary Lloyd Bentsen during the OECD meeting on Wednesday and Thursday.

Hayashi on Exchange Rate, Tax System Reform

*OW0106094193 Tokyo KYODO in English 0924 GMT
1 Jun 93*

[Text] Osaka, June 1 KYODO—Finance Minister Yoshiro Hayashi, commenting on the yen's continuous rise against the dollar, said Tuesday their current exchange rates do not reflect the economic fundamentals of Japan and the United States.

Hayashi said Japan will take appropriate measures to correct the exchange rates in consultation with monetary authorities of other countries concerned. Hayashi made the remarks when asked to comment on the yen's climb in Tokyo earlier Tuesday to hit a momentary high in the 106 range to the dollar.

Basically, the yen-dollar exchange rates were affected by speculation following various statements since February, he said, adding the rate movements should reflect the fundamental economic factors of the two nations. He said an agreement reached in April among the Group of Seven industrialized nations (G-7) to coordinate their monetary policies remains unchanged.

Referring to a study on tax system reforms, Hayashi stressed the need for the government to conduct a comprehensive review of the system. Hayashi said the principle of competition will be introduced in the financial market, suggesting the government would help promote reorganization of the financial industry.

Criticizes U.S. for 'Surge'

*OW0106020293 Tokyo KYODO in English 0151 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Finance Minister Yoshiro Hayashi on Tuesday criticized the United States for linking foreign exchange issues and the trade imbalance, thus causing the yen's recent surge against the U.S. dollar.

"Currency issues ought to be dealt with as currency issues," Hayashi said at a regular press conference after a cabinet meeting earlier in the day.

The dollar began Tuesday trading in Tokyo at 107.15 yen, compared with Monday's close of 107.45 yen. Major European and U.S. markets were closed Monday.

The recent plunge of the dollar, which lost almost 3 percent last week, was triggered by a U.S. Treasury Department report suggesting a stronger yen could contribute to relieving the Japan-U.S. trade imbalance.

Hayashi said he will be watching developments when overseas markets resume trading Tuesday and "will take appropriate measures" if needed to stabilize the exchange rates in cooperation with other Group of Seven (G-7) major industrial nations. Hayashi has been saying the same thing since early February when the dollar was changing hands around 125 yen.

"I don't think this (the yen's appreciation) is good at all," Hayashi told reporters.

According to the NIHON KEIZAI SHIMBUN, the Bank of Japan has bought 10 billion dollars in the market since April in a bid to cap the yen's surge.

An April agreement by the G-7 to work together to stabilize the market has not yet had much apparent effect.

Turning to Japan's economy, the finance minister said he thinks the economy improved in the first quarter of this year, compared with the October-December period. Japan's first-quarter Gross National Product (GNP) will be announced this month.

But he expressed "grave concerns" about fiscal 1992 tax revenues. "It is hard to be optimistic looking at the latest figures collected by March 31 and at the flurry of poor corporate results" that were announced recently for that fiscal year.

Referring to a high-level Japan-U.S. meeting next week in Washington, Hayashi said he did not expect the U.S. to request Japan to set a quantitative ceiling on its current account surplus by linking it to a certain ratio of economic output.

With regard to this week's ministerial meeting of the Organization for Economic Cooperation and Development (OECD), Hayashi said various problems experienced by member nations will be discussed.

The theme for Japan will be stimulation of its domestic demand, he said.

OECD ministers will convene in Paris on Wednesday for a two-day session.

Ministry Cautious on Move To Defend Dollar

*OW0206122993 Tokyo KYODO in English 0947 GMT
2 Jun 93*

[Text] Tokyo, June 2 KYODO—A senior Finance Ministry official Wednesday expressed caution toward the argument on cutting Japan's official discount rate to cap further collapse of the dollar, saying the currency exchange rate issue is not the sole target of the monetary policy.

The official, who declined to be identified, said the monetary policy must comprehensively take into account various economic elements. In addition, it must be contemplated that Japan's key lending rate is already at historically low levels of 2.5 percent per year.

He repeated that the recent round of the yen's appreciation is speculative and that there is no division between the United States and Japan on their foreign exchange rate policies.

The official's comment came when he was asked of the effectiveness of "concerted actions" in the market by financial authorities considering the massiveness of global foreign exchange transactions.

Some analysts have been calling for lowering Japanese interest rates to make the yen less attractive against major currencies.

The dollar ended Wednesday in Tokyo interbank trading at 107.12 yen, up 0.12 yen from Tuesday's close.

The official said the government also agrees to a report on Japan's economic outlook that was released by the Organization for Economic Cooperation and Development (OECD).

The OECD forecast the Japanese economy will grow an inflation-adjusted 1.0 percent in calendar 1993. It was a downward revision from earlier projections of 2.3 percent growth.

But the official noted the OECD is looking for better performances in the latter half of 1993 and the first half of 1994—an annualized growth of more than 3 percent—which is in line with the government's forecast that the domestic economy will start picking up later this year.

The government hopes the country will achieve 3.3 percent economic growth in fiscal 1993 that lasts from April 1993 to March 1994.

Miyazawa on Economy, Planned Talks With Yeltsin

OW0206082693 Tokyo KYODO in English 0817 GMT 2 Jun 93

[Text] Tokyo, June 2 KYODO—Prime Minister Kiichi Miyazawa said Wednesday he believes the economy has already bottomed out.

Miyazawa made the remark in a speech at the Japan National Press Club.

He also said Russian President Boris Yeltsin hopes to pay an official visit to Japan this fall and Russian delegates at the Tokyo summit of seven Western industrialized nations in July may be able to provide an itinerary. Miyazawa reiterated he has no intention of broaching the long-standing territorial dispute between Japan and Russia in a meeting with Yeltsin planned during the summit.

Reportage on Visit of PRC's Qian Continues

Qian Meets With Miyazawa 1 Jun

OW0106050593 Tokyo KYODO in English 0451 GMT 1 Jun 93

[Text] Tokyo, June 1 KYODO—Prime Minister Kiichi Miyazawa urged China Tuesday to honor its special responsibilities as a nuclear power by checking the spread of weapons of mass destruction, Foreign Ministry officials said. Officials said Miyazawa made the request during some 40 minutes of talks with Chinese Foreign Minister Qian Qichen, who arrived Saturday on a four-day official visit.

The request followed Foreign Minister Kabuo Muro's urging in talks Saturday with Qian that China accede to the 28-member London guidelines, which govern exports of nuclear fuel and components that could be used for nuclear weapons development.

Some Western countries have criticized China for exporting nuclear technology to countries which have not concluded a comprehensive safeguards agreement with the International Atomic Energy Agency.

Officials said Miyazawa "reminded" Qian that as a nuclear power and a member of the Nuclear Non-proliferation Treaty (NPT), China has a special responsibility to exert efforts to stem the proliferation of nuclear weapons.

On North Korea's decision to withdraw from the NPT, Miyazawa was quoted as saying it is an extremely serious issue from the standpoint of Japan's security.

Qian replied that China also attaches great importance to the matter as it wants to see a nuclear-free Korean peninsula. He said his visits over the past week to Japan and South Korea are part of China's efforts to tackle the problem.

Officials said Qian invited Miyazawa to pay an official visit to China.

Qian on DPRK Economic Sanctions

OW3005054093 Tokyo KYODO in English 0447 GMT 30 May 93

[Text] Tokyo, May 30 KYODO—Chinese Foreign Minister Qian Qichen said Sunday that international concern about North Korea's nuclear capability should not lead to that country being isolated, Japanese officials said.

Qian made the remarks at a Tokyo hotel when he met former Japanese Foreign Minister Michio Watanabe, said the officials who attended the talks. They said Watanabe urged China to pressure Pyongyang to rescind its decision to pull out of the Nuclear Non-Proliferation Treaty (NPT), saying, "Japan wants China to make efforts to ensure that North Korea complies with a request from the international community."

China is believed to retain strong political influence over North Korea as its long-time military and economic aid supplier. Compliance with the treaty would obligate North Korea to accept international inspection of its alleged nuclear arms development sites in Yongbyon, 88 kilometers north of Pyongyang.

Pyongyang's withdrawal from the nonproliferation pact takes effect from June 12. Pyongyang declared it planned to pull out on March 12, and a three-month grace period followed.

Qian was noncommittal about Watanabe's request to put pressure on Pyongyang, the officials said. Rather, they said he indicated Beijing's opposition to proposed economic sanctions against North Korea, saying the international community "must not isolate North Korea," the officials said.

Meanwhile, Qian expressed China's readiness to honor the results of Cambodia's general election, where vote counting has begun after a six-day poll.

Qian and Watanabe agreed that both Japan and China should cooperate to make a post-election Cambodia a neutral, peaceful and nonaligned country, they said. China was a main military supplier to the Khmer Rouge faction, archrival of the Phnom Penh government.

Qian conveyed to Watanabe a message from Chinese leader Jiang Zemin and Premier Li Peng, who wished him full recovery from an unspecified illness. They quoted Watanabe as replying lightheartedly that, "I will reach the age of Deng Xiaoping who is 20 years older than I."

DPRK Issue Settlement Urged

*OW0106035993 Tokyo KYODO in English 0343 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Japanese Prime Minister Kiichi Miyazawa and Chinese Foreign Minister Qian Qichen called Tuesday for settlement of an international row over North Korea's planned withdrawal from the nuclear non-proliferation treaty, Japanese officials said.

In a meeting at Miyazawa's official residence, the two shared the view that a solution to the problem is essential to China and Japan, the officials said.

Taiwanese Ask Tokyo To Repay Postal Savings

*OW0106130493 Tokyo KYODO in English 1235 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Representatives of a group of Taiwanese on Tuesday visited the Posts and Telecommunications Ministry and asked for the speedy repayment of postal savings they deposited under Japanese colonial rule before and during World War II.

Eighteen people from a 3,000-member group of former Japanese military personnel of Taiwan origin and

bereaved family members in Taiwan urged the ministry to refund their money as soon as possible because they are aging.

Toru Asaoka, director of service division of the ministry's Postal Savings Bureau, told them that the ministry has not decided when and how to pay back the funds. He said the various ministries concerned are trying to iron out a proper and "realistic" way to repay the savings, which he admitted his ministry is obliged to reimburse.

"Replies from the ministry have always been the same. Why can't they still do what they should have done 20 years ago?" Asked Li Hsien-chang, leader of the group.

The ministry said about 60,000 postal savings accounts belonging to Taiwanese remained unpaid and they amounted to about 250 million yen, with interest included, as of March.

Last week, a member of the Taiwanese group said the ministry had told them that "the payout will be put off as the problem concerning property of Chinese from Taiwan has not been resolved yet."

Speaking in Taipei, Lin Fu-ye said the ministry, in a written response to the group's demand, blamed the absence of diplomatic relations between Japan and Taiwan and the slow decision process in other ministries for its failure to speed up return of the funds.

Japan occupied Taiwan from 1885 to 1945. Before and during World War II, Japan fattened its war chest by strongly encouraging the purchase of government bonds not only in Japan but also in its then colonies of Korea and Taiwan.

In 1982, a Taiwanese who had served with the Japanese military won a Supreme Court ruling ordering the Japanese Government to pay back his postal savings.

Tokyo, Bangkok Plan To Discuss Illegal Workers

*OW0206124993 Tokyo KYODO in English 1158 GMT
2 Jun 93*

[Text] Tokyo, June 2 KYODO—Japan and Thailand will soon begin consultations in Bangkok on problems relating to Thais working illegally in Japan, Foreign Ministry officials said Wednesday.

The officials said the Thai Government has set up a working group on the issue which will include members of the Japanese Embassy. They said the group will study what measures can be taken to improve the situation.

But Japan has turned down a Thai proposal for a similar working group to be set up in Tokyo, suggesting instead that contacts between the ministry and the Thai Embassy be strengthened as a first step.

Last November, the ministry estimated there were some 53,000 illegal Thai workers in Japan. Thousands of young Thai women are recruited every year to work in Japan's entertainment and sex industry.

In talks last week in Tokyo, Prachyadevi Tavedikul [spelling of name as received], Thai deputy permanent secretary, proposed that Japan fund a campaign in Thailand to inform the public about the labor situation in Japan. The proposal was rejected, as was one to carry out a campaign in Japan to encourage Thais to return home. Japanese officials were concerned such a campaign might stir up xenophobic feelings.

Prachyadevi was said to have expressed concern over the fact that Thais staying illegally in Japan are not eligible to take advantage of the public health care system.

The officials also denied recent Thai media reports the Japanese Government has apologized for deporting 14 members of a Thai tour group, including children, last month because some members were suspected of coming to work as prostitutes.

A Japanese diplomat in Bangkok was reported by the Thai press to have apologized for poor treatment accorded to the Thais, which he said stemmed from "misunderstandings," including language problems. "The Government of Japan did not apologize for this incident," said one official, adding the diplomat has merely expressed "sympathy over this unfortunate incident."

"We don't think the Japanese officials in concern treated the Thai people in question in a bad manner," he said.

A complaint was filed with the Thai Foreign Ministry by a businessman whose wife and daughter were among those deported. The incident reportedly sparked public outrage in Thailand.

Officials said the tour group leader, a Thai, did not answer inquiries about hotel reservations to the satisfaction of immigration authorities. All the Thais were deported after the group leader and authorities failed to locate a Japanese tour agent who was supposed to meet them at the airport.

Seven Japanese Policemen Return From Cambodia

OW0206010893 Tokyo KYODO in English 0045 GMT 1 Jun 93

[Text] Tokyo, June 1 KYODO—Seven Japanese police officers serving with the United Nations peacekeeping mission in Cambodia, some of them wounded in an ambush last month, flew home Tuesday morning for medical treatment, the government said. Six of them returned to Narita Airport, while the seventh, Kazuharu Yagi, an assistant inspector, flew into Osaka Airport aboard a separate flight.

Yagi, 37, was badly wounded in the May 4 ambush by unidentified attackers in Oddar Mean Chey Province near the Thai border. The ambush led to the death of his colleague, Haruyuki Takata.

Eizaburo Taniguchi, a 32-year-old sergeant also seriously wounded in the ambush, was flown back to Japan earlier.

The two other policemen wounded in the ambush—Yoshiaki Suzuki, a sergeant, Hiroshi Kawanobe, an inspector—were among the six flying into Narita. They were flown immediately to an airfield in Tachikawa in the outskirts of Tokyo and taken to a police hospital in Kokubunji.

The government identified the other four as two assistant inspectors—Shinichi Hirabayashi and Takashi Ogura—and two sergeants—Makoto Sakurai and Shuzaburo Fujitani. They are said be suffering health problems which have not been specified.

The return of the seven men leaves 66 Japanese police officers in Cambodia.

Cambodian Leaders Urged To Respect Poll Result

OW0206130893 Tokyo KYODO in English 1254 GMT 2 Jun 93

[Text] Tokyo, June 2 KYODO—The Japanese Government Wednesday sent letters to leaders of major Cambodian political parties, urging them to respect the election results and to cooperate in establishing a new government, government sources said.

Earlier in the day, the royalist FUNCINPEC Party was almost assured of winning against the Cambodian People's Party (CPP) of the Phnom Penh government, according to the latest returns of vote counting by the U.N. peacekeeping mission.

The Japanese Government letters were sent to leaders of both the FUNCINPEC Party, founded by Prince Norodom Sihanouk, and the CPP of Phnom Penh government Prime Minister Hun Sen, the sources said.

The Japanese Government also Wednesday separately sent a letter to Prince Sihanouk, head of state and chairman of the Supreme National Council (SNC).

In regards to the Japanese Government's letters to Cambodian leaders, a high-ranking Foreign Ministry official told reporters that the Cambodian people's free will was reflected in the poll.

He also expressed the idea that a cooperation between the FUNCINPEC Party and the CPP under the leadership of Prince Sihanouk will be crucial for building the nation.

He also suggests it is necessary to provide emergency fiscal aid to Cambodia to help the country over a transitional period following the election.

Tokyo Suspends Future Aid to Guatemala

OW0106083193 Tokyo KYODO in English 0805 GMT 1 Jun 93

[Text] Tokyo, June 1 KYODO—Japan has suspended its economic development assistance to Guatemala in the

wake of a declaration of emergency rule by the Guatemalan president, a Foreign Ministry spokesman said Tuesday.

Japan will limit its future economic aid to Guatemala to humanitarian and emergency assistance programs, spokesman Masamichi Hanabusa said. However, he said Japan would go ahead with aid already committed.

Hanabusa said Japan has already committed more than 10 billion yen in project loans to Guatemala, as well as grants worth about 1.2 billion yen.

Guatemalan President Jorge Serrano suspended constitutional rule in the country on May 26.

Reaction from Western countries was swift. The United States on May 27 said it was freezing about 50 million dollars in aid pending "immediate restoration of full constitutional democracy."

The European Community on May 28 suspended new aid totaling 31 million dollars for this year.

Peru's Fujimori Continues Visit Activities

Meets Emperor, Discusses Wedding

*OW0106041393 Tokyo KYODO in English 0352 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Peruvian President Alberto Fujimori congratulated Emperor Akihito in an audience Tuesday on the upcoming wedding of Crown Prince Naruhito and former diplomat Masako Owada, a senior Imperial Household Agency official said.

In the 20-minute meeting, Fujimori told the emperor Peru's domestic situation has quietened down, after general elections were held in November. He was quoted as saying that two-thirds of the voters supported his ruling party.

Fujimori called the election after he dissolved the congress in April 1992 and imposed one-man rule, accusing lawmakers of obstructing economic reforms and his efforts to crack down on drug traffickers and leftist guerrillas.

The emperor asked Fujimori about Peru's indigenous people and cultural heritage, said Kiyoshi Sumiya, the grand master of the ceremonies.

Fujimori arrived in Tokyo on Sunday [30 May] on a four-day unofficial visit.

On Wednesday the president will leave for a four-day official visit to South Korea, and then stop again in Japan from June 4 to 7 to visit Osaka and Okinawa.

Holds Talks With Miyazawa 1 Jun

*OW0106113093 Tokyo KYODO in English 0927 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Peruvian President Alberto Fujimori on Tuesday defended his government's commitment to human rights and democracy, and said guerrillas in Peru are now on the defensive, Foreign Ministry officials said. But Fujimori expressed regret in a 45-minute meeting with Prime Minister Kiichi Miyazawa that not all countries fully appreciate the extent of positive changes occurred in Peru since his assumption of emergency powers in April 1992, officials said.

Fujimori arrived in Tokyo on Sunday on a four-day unofficial visit on the way to an official visit to South Korea.

Officials said Miyazawa praised Fujimori for his leadership in restoring constitutional rule, holding parliamentary elections, improving safety and restoring Peru's relations with international financial institutions.

Miyazawa told Fujimori that the current parliamentary deliberations in Peru on the drawing up a new constitution are reflective of the country's commitment to democracy. He said that while the overall human rights situation in Peru seems to have improved, "there appear to remain individual problems."

Opposition legislators in Peru's congress have been pushing in vain for military officers to be called before a legislative panel to answer charges of involvement in the disappearances of nine students and a professor from a university last July. The Peruvian Army leadership has vowed not to tolerate any such probe and military tanks took to Lima's streets last month in a show of force apparently aimed at intimidating Congress.

Fujimori was quoted as saying "human rights violations have not been committed" by the government in the process of arresting key members of two guerrilla groups, including the head of the radical Communist Shining Path.

He noted that when he first came to office, he ordered antiterrorist soldiers and police to abstain from taking oppressive measures and instead adopt "a strategy of winning the people's support. The changes over the past year in Peru have been extremely rapid, so internationally there has not necessarily been sufficient appreciation," the second-generation Japanese-Peruvian leader was quoted as saying. He called on Japan and other countries to send missions to Peru to observe the situation firsthand.

Officials said Fujimori told Miyazawa that since the April 1992 emergency measures the government has made great strides in achieving domestic stability, adding that it is "now on the offensive against terrorism."

In response to Fujimori's appeal for increased Japanese assistance in the future, Miyazawa was quoted as pledging "maximum cooperation."

Foreign Minister Kabun Muto told Fujimori earlier that Japan will extend 50 million dollars in new aid to help his economic reforms succeed. Diplomatic notes relating to the pledge were exchanged between representatives of the two countries on Tuesday [1 June] in Tokyo.

Fujimori had an audience with Emperor Akihito Tuesday and congratulated him on the upcoming wedding of his son, Crown Prince Naruhito, to former diplomat Masako Owada.

Fujimori was to leave Japan on Tuesday for Seoul and return to Japan on Friday to visit Osaka and Okinawa.

Official Explains Resumption of Aid to Iran

OW2905033393 Tokyo KYODO in English 0317 GMT 29 May 93

[Text] Tokyo, May 29 KYODO—Japan on Saturday offered Iran a 38.6 billion yen loan to finance a hydroelectric project, ending an aid suspension in place since 1976, the Foreign Ministry said.

The decision was taken amid U.S. efforts to convince its allies to withhold aid to Iran because of that country's alleged support for militant fundamentalist Islamic movements in countries like Egypt, Lebanon and Sudan. But officials said that the funds could in no way be used to enhance Iran's military might, nor would they have any immediate impact in shoring up the Iranian economy.

The officials said representatives of the two countries exchanged diplomatic notes relating to the loan earlier in the day in Tehran.

The untied 38.61 billion yen loan will be used for civil engineering and consultancy costs for the building of a 1 million-kilowatt hydroelectric power plant and a 170-meter-high rockfill dam on the Karun river in Khuzestan Province.

The officials said the loan will carry an interest rate of 3.0 percent per annum, repayable over 25 years, including a seven-year grace period.

Japan has been considering a resumption of loan assistance to Iran since the May 1991 visit to Tehran by then Foreign Minister Taro Nakayama.

Last week, Washington said that in the absence of dramatic changes in Iran's behavior, it is urging Japan and other allies to refrain from helping ease Iran's economic situation "so that it can pursue normal commercial relations on one level, while threatening our common interests in another level." But a Foreign Ministry official said Iran will be unable to divert funds

originally allocated for the power plant project to military purposes, since the project could not go ahead without Japanese support.

Furthermore, the official said, the funds will go directly to contractors and consultants, not through Iranian authorities. Iran will also pick up considerable expenses related to the project, he added.

He said that since the project will take some 10 years to complete, it will not directly contribute to an improvement in Iran's economic situation in the short term.

The official said Japan decided to extend the loan out of recognition of Iran's major role in the security and stability of the politically and economically important Persian Gulf region. "In order to secure the stability of the Gulf region it is necessary for Iran to take realistic and moderate policies towards its neighbor countries, and to stabilize its ties with Western countries," he said.

The official noted that the current government in Tehran is taking a realistic economic policy aimed at recovering from the damage caused in the Iran-Iraq war and improving the living standard of the country's population.

"The success of this policy will inevitably improve not only the situation in Iran, but also the security of the region as a whole, so the Japanese Government believes it is necessary to support it," he said.

The official pointed out that the current level of Iran's military expenditures is "not particularly big" in relation to that of neighboring countries. But he said Japan would "watch Iran's behavior in the future and, if necessary, take appropriate measures." The official was apparently hinting that Japan could again freeze its aid if circumstances demanded.

Traders React to Lifting of Ban

OW2905034893 Tokyo KYODO in English 0327 GMT 29 May 93

[Text] Tokyo, May 29 KYODO—Japan's resumption of aid to Iran will not immediately prompt the nation's trading houses to boost their business with the country, industry officials said Saturday.

While welcoming the government's decision to break a 17-year hiatus in its yen loans to Tehran, trading companies were cautious about expanding deals with Iran, citing the nation's massive trade arrears as a major obstacle.

The government offered earlier in the day a 38.6 billion yen loan to Iran, ending its aid suspension in place since 1976 due to the political upheaval that culminated in the 1979 Islamic revolution, followed by the 1980-1988 Iran-Iraq war.

Traders anticipate the resumed aid will lead to a broadening of the government's trade insurance coverage for Japanese exports and investments.

Trade arrears estimated 111.3 billion yen at the end of March for Japan's nine biggest traders will hold them back, but the industry expects gradual growth over the long term in trade with Iran, which is rich in natural resources.

Opposition Agrees To Draft Single Reform Bill

*OW2805133293 Tokyo KYODO in English 1033 GMT
28 May 93*

[Text] Tokyo, May 28 KYODO—Six opposition parties agreed Friday to draft a new political reform plan based on a private council's proposal to combine 300 single-seat constituencies with 200 proportional representation seats in general elections for the House of Representatives, officials said.

At a meeting in the Diet building of party heads, the opposition reached agreement that their political reform plan should satisfy both the opposition and the ruling Liberal Democratic Party (LDP). Those represented at the summit meeting were the Social Democratic Party [of Japan, SDPJ] (SDP), Komeito, the Democratic Socialist Party (DSP), the Japan New Party, the Democratic Reform Party (formerly Rengo Sangin) and the United Social Democratic Party (USDP).

The private council, composed of industry, labor and media leaders, earlier announced its own political reform plan in a bid to patch up differences between the LDP and opposition parties.

At Friday's meeting, the heads of the six opposition parties agreed to ask the LDP to hold a summit meeting to break the deadlock on political reform, one of the most important items on the agenda of the current ordinary Diet session scheduled to end June 20.

The opposition also reached accord on efforts to form a political force to replace the LDP, which has governed Japan since the mid-1950s.

The ruling party has presented the current Diet session with a bill calling for 500 single-seat constituencies for the lower house, cutting 11 seats from the current 511-seat roster.

Japan's two largest opposition parties—the SDP and Komeito—have opposed the LDP bill and tabled their own reform bill. That bill would also cut the total number of seats in the lower house from the current 511 to 500 but would divide those remaining into 200 seats elected from single-seat constituencies and 300 seats filled through proportional representation.

LDP 'Cautious' About Compromise on Reform

*OW3105063093 Tokyo KYODO in English 0552 GMT
31 May 93*

[Text] Tokyo, May 31 KYODO—Senior officials of the dominant Liberal Democratic Party (LDP) appeared cautious Monday over a possible compromise with the

opposition camp on electoral reform, business officials said. In a meeting with the heads of the country's four top business organizations, the LDP officials reportedly said their party still favors its own electoral reform proposal intended to set up single-seat constituencies in House of Representatives general elections.

Among those present at the session were the LDP's top three officers—Seiroku Kajiyama, secretary general, Koko Sato, chairman of the decision-making Executive Council, and Hiroshi Mitsuzuka, chairman of the policy-making Policy Affairs Research Council.

The LDP officials were critical of an opposition agreement last week aimed at formulating a joint electoral reform plan, the officials said. The six noncommunist opposition parties agreed Friday to make a compromise with the LDP with a joint electoral reform scheme based on a proposal unveiled in April by a private panel.

The business leaders strongly urged the governing party to enact political reform legislations during the current parliamentary session to end June 20, the officials said. The business leaders attending were Gaishi Hiraiwa of the Federation of Economic Organizations, Rokuro Ishikawa of the Japan Chamber of Commerce and Industry, Masaru Hayami of the Japan Association of Corporate Executives, and Takeshi Nagano of the Japan Federation of Employers Associations.

The LDP has proposed replacing all current multiseat constituencies with single-seat ones for the House of Representatives, reducing the size of lower house seats to 500 from the present 511.

The opposition parties agreed to draft a new political reform plan based on the private council's plan to combine 300 single-seat constituencies with 200 proportional representation seats for an election to the lower house. The six parties are the Social Democratic Party [of Japan], Komeito, the Democratic Socialist Party, the Japan New Party, the Democratic Reform Party (formerly Rengo Sangiin) and the United Social Democratic Party.

Opposition Urges LDP To Agree to Summit

*OW0106064093 Tokyo KYODO in English 0606 GMT
1 Jun 93*

[Text] Tokyo, June 1 KYODO—Four opposition parties jointly urged the ruling party Tuesday to agree to hold an early summit for party leaders to break a gridlock over proposed electoral and political fund-raising system changes, political sources said Tuesday. The demand was conveyed to the Liberal Democratic Party (LDP) at a meeting of the heads of the five parties' Diet affairs committees, they said.

The opposition camp wants to reach an agreement with the LDP to reconcile differences over which of the four reform bills should be given priority in putting them on a last-ditch parliamentary agenda, they said.

The current regular Diet session will adjourn on June 20. Japanese politicians have been under pressure to clear up Japan's money-dominated politics following the Tokyo Sagawa money-and-mob scandal and the arrest of fallen LDP don Shin Kanemaru.

The four opposition parties also plan to urge the LDP to uphold their joint proposal to replace the current multi-seat constituency system for the House of Representatives with a mixture of proportional representation balloting and 275 single-seat electorates, they said.

The joint proposal was modeled after a similar system—dubbed the “renyo” system—proposed by a private council of industrialists and academics who called for combining 300 single-seat districts with a proportional representation balloting under which 200 seats would be elected.

The four parties plan to jointly hand over the document detailing their proposal to the LDP at an unofficial meeting of panelists of the lower chamber's ad hoc committee on political reform Tuesday afternoon, they said.

In reply, LDP Diet Affairs Committee chairman Tsutomu Kawara voiced the party's reluctance to hold such summit talks.

“Our party has adopted a plan to completely replace multiseat constituencies with single-seat constituencies as the party's unified platform,” he said.

Meanwhile, LDP Secretary General Seiroku Kajiyama said the LDP should seek to introduce an electoral system which “would be most effective in creating a stable government manned by a single political party.”

Speaking at a meeting of LDP's top party executives, Kajiyama expressed his reluctance to break away from the LDP's unified platform of seeking to introduce a single-seat constituency system to elect all of the 500 seats of the lower chamber.

The ASAHI SHIMBUN earlier reported that if the LDP-proposed electoral system was enacted, it would enable it to muster more than 90 percent of the lower chamber's 512 seats due to what political scientists call the “triple-multiplying rule” of the system.

Kajiyama also vowed to take a course of action that would enable the party to avoid triggering intra-party dissension, another reference to the LDP leadership's readiness to stick to the single-seat electoral proposal.

Kajiyama blasted Masao Kamei, an outspoken chief architect of the renryo system, for seeking to scuttle the LDP's electoral proposal by criticizing the ruling party. Pointing his fingers to Kamei, former senior executive of Sumitomo Electric Industries Ltd., Kajiyama said, “I am disaffected (with his criticism) and I even doubt his character.”

“The proposal compiled by such a group would lead to a wrong thing,” he said.

Miyazawa Urges Unified LDP Stand on Reform

*OW0206121093 Tokyo KYODO in English 1143 GMT
2 Jun 93*

[Text] Tokyo, June 2 KYODO—Prime Minister Kiichi Miyazawa on Wednesday urged a united effort by the dominant Liberal Democratic Party (LDP) to act upon electoral reform legislation during the current parliamentary session. Miyazawa sought cooperation from senior LDP leaders when he conferred separately with them at the premier's official residence over the course of an overall political reform drive centering on electoral reform, political sources said.

Hiroshi Mitsuzuka, chairman of the Policy Affairs Research Council, promised to support Miyazawa in implementing political reform, the sources said.

Yet Koko Sato, chairman of the decision-making Executive Council, showed a caution over a possible shift in the party decision to try to introduce a single-seat constituency system for a general election to the powerful House of Representatives, the sources said.

Miyazawa also met with former Foreign Minister Michio Watanabe, who heads the third largest faction within the LDP.

The premier's move came after three main opposition parties submitted to the Diet on Wednesday a set of political reform plans that would set up both single-seat and proportional representation system for lower house elections based on a private panel proposal.

Miyazawa, in a meeting with leaders of the country's four major business lobbies, reaffirmed a desire to pass political reform legislation into law during the current Diet sitting that ends June 20, business officials said.

“I think this is the only chance to realize political reform,” Miyazawa was quoted as saying. “The LDP leadership and I are trying hard to have a package of four political reform bills enacted en masse during the current Diet session.”

The business leaders attending were Gaishi Hiraiwa of the Federation of Economic Organizations, Rokuro Ishikawa of the Japan Chamber of Commerce and Industry, Masaru Hayami of the Japan Association of Corporate Executives and Takeshi Nagano of the Japan Federation of Employers Associations.

They reportedly called on Miyazawa to exert strong leadership in promoting the reform drive.

Political and electoral reform has emerged as one of the key domestic issues for the government and the LDP after the 1988-1989 recruit shares-for-favors scandal and

the 1992-1993 Tokyo Sagawa Kyubin money-and-mob scam that sparked an unabating wave of public distrust in politics.

The interim results of an LDP survey showed ruling party legislators are divided over which electoral reform proposal the party should push for, LDP officials said. The LDP has proposed replacing all multiseat constituencies with single-seat electorates for the first chamber, reducing the number of seats to 500 from 511.

The three opposition parties—the Social Democratic Party, Komeito and the Democratic Socialist Party—presented their unified electoral reform scheme on Wednesday in the wake of the agreement last Friday among six noncommunist opposition parties to compromise with the LDP with a joint reform proposal.

Their proposal would combine 275 single-seat constituencies with 225 seats decided by proportional representation.

In April, the private Committee for Promotion of Political Reform proposed cutting the number of lower house seats to 500 from 511, with 300 legislators elected through the single-seat system and the remaining 200 through proportional representation.

Kanemaru 'Failed To Report' Total Income

OW0206132993 Tokyo KYODO in English 1245 GMT 2 Jun 93

[Text] Tokyo, June 2 KYODO - Disgraced politician Shin Kanemaru failed to report about 4.3 billion yen in income and inherited property to the government, sources close to tax authorities said Wednesday.

Kanemaru, 78, who until last year was one of the most powerful politicians in Japan, is planning to declare about 1 billion yen of the unreported gains but is noncommittal about how to declare the remaining 3.3 billion yen, the sources said.

About 2.45 billion yen of the undeclared money came in the form of property inherited from his late wife, Etsuko, who died in December 1991. He was indicted on two counts of trying to divert the property money and another 1.04 billion yen from 1987 to 1989.

The Tokyo Regional Taxation Bureau will collect over 3 billion yen in back taxes—the largest amount ever to be imposed on a Japanese politician—after Kanemaru makes his stand clear over the 3.3 billion yen he allegedly failed to report, the sources said.

His tax evasion trial will open at the Tokyo District Court on July 22, the sources said.

Kanemaru, former vice president of the ruling Liberal Democratic Party (LDP), will be tried along with his former secretary Masahisa Haibara, 49, who has been indicted on similiar charges.

He is suspected of siphoning off covert donations from companies, mostly in the construction industry, to amass billions of yen that he used to buy discount bank debentures, gold bullion, stocks and real estate, investigative sources said.

Kanemaru, who wielded enormous political clout until last October, also kept millions in cash.

Widely regarded as the czar of the LDP's construction lobby and thus its paymaster, Kanemaru is believed to have used his influence in the distribution of public works projects to general contractors, investigative sources said.

As the head of the LDP's then most powerful faction, founded by former Prime Minister Noboru Takeshita, Kanemaru played a pivotal role in steering Kiichi Miyazawa to power in the fall of 1991.

He retired from politics in disgrace in October after he admitted receiving an illegal political contribution of 500 million yen from a scandal-plagued, now-defunct trucking company.

Industrial Output Decreases '2.2 Percent' in Apr

OW3105074193 Tokyo KYODO in English 0703 GMT 31 May 93

[Text] Tokyo, May 31 KYODO—Japan's industrial production in April fell a seasonally adjusted 2.2 percent from the previous month, posting the first fall in three months, the Ministry of International Trade and Industry said in a preliminary report Monday.

Output at factories and mines increased a revised 2.5 percent in March and 1.5 percent in February after falling 0.5 percent in January and 0.6 percent in December, the ministry said.

On an unadjusted year-on-year basis, production continued dropping in April for the 19th month in a row, falling 3.8 percent. The ministry said the series of year-on-year declines was the longest since the 20-month streak from May 1974 through December 1975.

Shipments in April recorded the first monthly decline in four months, falling 3.0 percent after rising 4.1 percent in March.

Shipments went down 1.9 percent from a year earlier, posting the 17th consecutive decrease.

The 17-month run of year-on-year drop was the longest since the 21-month series from March 1974 through November 1975.

March inventories fell from the previous month for the fifth consecutive month, down 1.7 percent after falling 1.9 percent in March and 1.3 percent in February.

On a yearly basis, they also fell for the fifth month in a row, dropping 4.9 percent.

The ministry said production will probably remain lackluster for some time despite progress in inventory reduction, keeping its outlook wordings unchanged from past months.

Briefing reporters, a ministry official said that inventory figures and some other bright signs suggest that "environment for a bottoming out" will be set in the April-June quarter. But he noted that private-sector demand and those bright signs are still far too weak for output to bottom out, citing uncertainties on how much public demand can cover up.

The poor April figures came in reaction to brisk output and shipment for automobiles and consumer electronics in the previous two months as manufacturers staged an active sales campaign to dress up ahead of March 31 fiscal book closing, the official said.

Meanwhile, the ministry predicted a 2.3 percent drop for May and a 2.6 percent rise for June on a survey conducted earlier this month.

Survey: Lower Private Capital Spending Planned

*OW0206085693 Tokyo KYODO in English 0722 GMT
2 Jun 93*

[Text] Tokyo, June 2 KYODO—Japanese private companies earmarked 18,155.5 billion yen for capital spending in fiscal 1993 started April 1, down 2.8 percent from estimated results for fiscal 1992, a government survey said Wednesday. The planned figure represents a second straight reduction for the first time since fiscal 1971 and 1972, and the biggest cutback since a 5.7 percent drop in fiscal 1972.

The semiannual survey was conducted on March 31 by the subcommittee on the industrial finance under the Industrial Structure Council, an advisory panel to the head of the Ministry of International Trade and Industry. The 2.8 percent slash is also a downward revision from a 1.5 percent cut in the previous survey, underscoring the continued caution over business outlook, the panel said.

The survey showed that manufacturers dragged the overall figure down, with their planned outlays in facilities and equipment falling 14.6 percent for fiscal 1993 after an estimated 18.2 percent decrease in fiscal 1992.

Primarily contributing to the decline were automakers, dropping 17.5 percent, steelmakers, 22.1 percent, and chemical firms, 20.8 percent.

In contrast, the nonmanufacturing sector raised their planned capital spending by 5.5 percent after an estimated 0.5 percent fall in fiscal 1992. The increase came on a 7.4 percent rise at leasing firms that account for some 40 percent of the total amount in the sector, and a 7.3 percent higher spending by electric power firms, the survey said.

The survey covered 2,196 companies with capital of 100 million yen or more, of which 1,591 firms replied.

Fiscal 1992 capital investment is estimated at 18,673.6 billion yen, down 9.0 percent from a year earlier, and lower than a 3.9 percent decrease in planned spending in the previous survey.

Although companies remained generally reluctant to invest, the panel said a "moderate recovery" is expected from the second half of fiscal 1993, with capital stock reduction progressing and the government's latest economic stimulus package showing full-fledged effects. But it said a close watch is necessary in the future, especially on mounting concerns over the yen's recent appreciation putting a drag on capital investment.

In addition, the panel is worried that restructuring programs widely taken by companies include sharp cutbacks in spending on research and development and other fields that hold a key strategic basis for medium- to long-term growth. It warns that this may become an obstacle for future structural reforms of Japanese industry.

A concern also exists in the fund-raising environment when corporate fund demand increases in the process of an economic recovery, the panel said. It cited the progressing gaps in loan amount and interest rates by financial institutions between big and smaller firms with less credibility, and the chances of further rise in interest rates in contradiction to the actual economic conditions, like the recent hikes in the long-term prime rate.

Given all these concerns, the panel urges the government to take such measures as expanding domestic demand through early passage of the supplementary budget to steadily implement the stimulus package, continuing the new social infrastructure improvement programs, and stabilizing the currency exchange market.

It also calls on the government to facilitate corporate investment necessary for longer-term growth basis, and to improve the fund-raising environment.

BOJ White Paper Urges Competitiveness

*OW0206124193 Tokyo KYODO in English 1046 GMT
2 Jun 93*

[Text] Tokyo, June 2 KYODO—The Bank of Japan [BOJ] on Wednesday urged financial institutions to further promote management streamlining to maintain competitiveness amid ongoing financial deregulation, while keeping up with efforts to meet customer needs.

In its annual White Paper on economic and financial conditions, the central bank addressed fears about the financial system such as the current economic adjustment phase, breaking a long-maintained belief that the system is the life blood of the economy and firm as a rock.

The major reason, it said, is that financial institutions incurred huge nonperforming loans after leaning on real estate financing during the "bubble" economic boom. To regain public trust, the central bank calls not only for solving the nonperforming loan problem, but also for more precise disclosure of business activities and stricter risk management.

Meanwhile, the paper showed the central bank's concern over the yen's recent sharp appreciation, noting it will have a big impact on exporters, in particular.

The stronger yen will not lead immediately to reducing Japan's trade surplus because of the J-curve effect in which exports temporarily balloon in terms of value, the central bank said. For this reason, it stressed that the issue of trade imbalance be tackled with efforts to persistently review not only such tangible barriers as tariffs and import limits, but also the regulations and practices of the domestic market.

As a key lesson obtained from the emergence and collapse of the bubble economy, the central bank cited the importance of grasping the trend of land prices that greatly influence stability in the financial system. It also said there needs to be monitoring of the distribution of assets and income.

The paper said that to avoid a repetition of the land speculation boom, the central bank must take a comprehensive monetary policy while closely monitoring the land price trend.

North Korea

U.S. Commits 180 'Aerial Espionage' Incidents

SK0206052093 *Pyongyang KCNA in English 0408*
GMT 2 Jun 93

[Text] Pyongyang, June 2 (KCNA)—The U.S. imperialist aggressors did not cease their aerial espionage on the northern half of Korea in May, according to military sources.

On May 31, they sent two U-2 high-altitude strategic reconnaissance planes to the skies above the Military Demarcation Line and the east and the west coastal areas for aerial photographing and electronic reconnaissance on targets in the strategic in-depth and coastal areas of the northern half of Korea through round-the-clock shuttle flights. In May they committed aerial espionage on the North by various types of reconnaissance planes on more than 180 occasions.

Ceremony Marks New Joint Venture With Japan

SK0206060093 *Pyongyang KCNA in English 0424*
GMT 2 Jun 93

[Text] Pyongyang, June 2 (KCNA)—The commissioning ceremony of the Myongsim joint company was held here Tuesday.

Present there were Vice-director of the General Bureau of Joint-Venture Industry Kim Yong-sol, and other officials concerned and employees of the company and Yi Won-mun, director of the Konghwa Business Company, Ltd. under the General Association of Korean Residents in Japan on a visit to the socialist homeland.

Speeches were made at the ceremony.

Noting that the Myongsim joint company has been built as a modern, production base of graphite of high purity, the speakers stressed the need to round off the production processes in the technological term and manage the company effectively.

They said they would bring more benefits to the country by doing well joint venture and joint businesses this year in which falls the 40th anniversary of the victory in the Fatherland Liberation War.

A reception was given for the occasion in the evening.

Daily: Japanese Claims on Plutonium 'Subterfuge'

SK0206104793 *Pyongyang KCNA in English 1021*
GMT 2 Jun 93

["NODONG SINMUN on Ambition of 'Plutonium Power'"—KCNA headline]

[Text] Pyongyang, June 2 (KCNA)—Though the Japanese reactionaries are now claiming that their plutonium stockpile is purely for a peaceful purpose, it is a transparent subterfuge to cover up their design to become a nuclear power, says NODONG SINMUN today.

Recalling that the 5,000-ton ship "Pacific Pintail" belonging to Japan's Pacific nuclear material transport company recently left for Britain carrying about 90 tons of nuclear material spent at nuclear power plants of Japan for their reprocessing, the analyst notes that the Japanese reactionaries who are stepping up the nuclear armament have made every possible effort to secure large quantities of plutonium needed for the manufacture of nuclear weapons.

Japan is bringing in a large quantity of plutonium from other countries, while increasing its domestic production. It plans to purchase 400 tons of plutonium in 30 years to come.

It has already signed contracts with other countries for reprocessing 4,500 tons of spent nuclear fuel.

There are reportedly 80 tons of surplus plutonium in the world. And 26 tons of it, or one-third, are stockpiled in Japan.

The Italian paper CORRIERE DELLA SERA said Japan's scheme to possess more plutonium than necessary was for the manufacture of nuclear weapons, not for a peaceful purpose.

The Japanese reactionaries must not seek a criminal nuclear design but cool their heads which have got overheated with nuclear hysteria.

WPK Hosts Japan Social-Democratic Party Group

SK3005083193 Pyongyang KCNA in English 0812 GMT 30 May 93

[Text] Pyongyang, May 30 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] hosted a reception for the visiting delegation of the Japan Social-Democratic Party at the Koryo Hotel here Saturday.

Invited to the reception was the delegation headed by Yuzuru Shimazaki, vice-chairman of the JSDP Central Executive Committee and member of the house of representatives.

Kim Hyong-u, vice-director of a department of the C.C. [Central Committee], the WPK, and other officials concerned were present.

Speeches were made at the reception.

The delegation arrived in Pyongyang Saturday.

Vice President Visits African Nations 24-28 May

Meets Guinean Political Leader

SK3105084693 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 May 93

[Text] DPRK Vice President Comrade Yi Chong-ok, a special envoy of the great leader Comrade Kim Il-song, on 24 May met with (Sory Dunbuya), general secretary of the Transitional Committee of Guinean National Recovery.

In the meeting, the general secretary said that it is an expression of his trust in the Guinean people for the great leader President Kim Il-song to send his envoy to Guinea. He added that traditional friendly relations between Guinea and Korea will remain unchanged in the future.

He stressed that Guinean president and the Guinean Government highly assess the 10-point program of great unity of the whole nation for the fatherland's reunification put forth by the great leader President Kim Il-song as the program which elucidates the most realistic method for resolving the issue of Korean reunification. He expressed his firm support for our people's cause for the fatherland's reunification.

The envoy visited Kim Il-song's Agricultural and Scientific Research Center in Guinea on 25 May.

Meets Guinean President

SK2905050593 Pyongyang KCNA in English 0432 GMT 29 May 93

[Text] Pyongyang, May 29 (KCNA)—Guinean President Lansana Conte on May 26 met Vice-president Yi Chong-ok, a special envoy of President Kim Il-song.

Referring to the friendly relations with the Korean people, the president said he extends his heartfelt thanks to the great leader His Excellency President Kim Il-song for helping the people of Guinea with all sincerity.

He voiced full support to the proposal for reunification through confederation put forward by the great His Excellency President Kim Il-song and expressed the hope that Korea divided by outside forces would be reunified at an early date.

He also expressed support to the principled stand of the Democratic People's Republic of Korea toward the "nuclear problem".

Arrives in Burkina Faso

SK3105095193 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 May 93

[Text] DPRK Vice President Comrade Yi Chong-ok, the special envoy of the great leader Comrade Kim Il-song, arrived in Burkina Faso on 27 May.

Burkinabe Prime Minister Youssouf Ouedraogo; the minister of secondary and higher education and scientific research; the minister of territorial administration; the minister of youth and sports; and other relevant functionaries met the special envoy at airport.

The DPRK ambassador to Burkina Faso was also on hand at the airport.

A ceremony welcoming the envoy took place at the airport. The special envoy inspected the honor guards together with the prime minister.

Earlier, the special envoy on 26 May left Conakry after winding up his visit to Guinea. The minister of interior and security; the general secretary of the Foreign Affairs and International Cooperation Ministry; other relevant functionaries; and the DPRK ambassador to Burkina Faso saw the special envoy off at the airport.

Meets Burkinabe Prime Minister

SK0206065393 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 30 May 93

[Text] DPRK Vice President Comrade Yi Chong-ok, a special envoy of the great leader Comrade Kim Il-song, met with Burkinabe Prime Minister Youssouf Ouedraogo on 27 May.

At the meeting, the prime minister said: "The great leader His Excellency President Comrade Kim Il-song is wholeheartedly helping Burkina Faso. I deeply thank him."

He said that he would make efforts to develop friendly relations between Burkina Faso and the DPRK.

While mentioning reunification of Korea, he stressed: "The Burkinabe Government fully supports the DPRK people's struggle to establish a reunified state after putting an end to foreign forces' interference, with great unity of the whole nation under the leadership of the great leader His Excellency President Comrade Kim Il-song."

Meets Burkinabe President

SK0206103893 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 31 May 93

[Text] DPRK Vice President Comrade Yi Chong-ok, special envoy of the great leader Comrade Kim Il-song, met with Blaise Compaore, president of Burkina Faso, on 28 May.

The special envoy conveyed greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to President Compaore.

Expressing deep gratitude for the greetings, the president asked the special envoy to convey his wholehearted greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il and wishes for their long life and good health.

He stressed that he still remembers the glory of meeting with His Excellency President Kim Il-song when he visited the DPRK. Referring to the friendly relations between Burkina Faso and the DPRK, he said that the friendly relations between the two countries should be constantly consolidated and developed.

He added that the Government and people of Burkina Faso support His Excellency President Kim Il-song's proposals and efforts to reunify the country. He said that he will constantly support the Korean people's struggle against foreign forces' intervention and their struggle to reunify the country through confederation.

The minister of Burkina Faso's external relations and our country's ambassador attended the meeting.

Workers Party Sends Message to World Conference

SK2905104893 Pyongyang KCNA in English 1022 GMT 29 May 93

[Text] Pyongyang, May 29 (KCNA)—The Central Committee of the Workers' Party of Korea on May 29 sent a message of greetings to the World Conference Supporting Korean People's Cause of Peace, Security, Sovereignty and Reunification which is due in Portugal on May 30 and 31.

The message said:

The world conference which is convened to discuss the grave situation created on the Korean peninsula greatly encourages the Korean people in their struggle to defend peace and security of the country and the national sovereignty and achieve national reunification.

We express heartfelt thanks to the participants in the conference and to the world's progressive people for their sincere and active support and encouragement to the just struggle of the Korean people.

The Workers' Party and people of Korea will discharge their noble mission and duty for the cause of world peace by firmly defending the sovereignty of the country and the socialist gains and ensuring peace on the Korean peninsula, frustrating the imperialist moves against our republic.

We express the belief that your conference will successfully carry out its work and make a due contribution to the world progressive people's cause of building a free and peaceful world against the arbitrary practice of the imperialists.

Reunification Groups Hold Meetings in Beijing

Presidium Meeting Begins 29 May

SK2905231993 Pyongyang KCNA in English 1503 GMT 29 May 93

[Text] Beijing, May 29 (KCNA correspondent)—The meeting of the Presidium of the National Alliance for the Country's Reunification (Pomminnyon) opened in Beijing today.

Participating in the meeting are Presidium members of the North side headquarters of Pomminnyon including Chairman Paek In-chun, Presidium members of the overseas headquarters of Pomminnyon, General Secretary of Pomminnyon Yim Min-sik and members of the Secretariat.

The meeting, which will be open till May 30, will discuss and decide on the immediate tasks of struggle to intensify the movement of Pomminnyon in keeping with the obtaining situation and the convocation of the fourth pan-national rally.

The first day session heard key-note reports of overseas side and the North side on the first agenda item "on the present situation and the immediate tasks of Pomminnyon".

The reporters summed up the activities of regional headquarters of Pomminnyon to carry out the resolution of the third pan-national rally and analyzed and assessed the situation created on the Korean peninsula by the aggressive, anti-national challenge of the splittist forces at home and abroad.

They reaffirmed that there was no other way of tiding over the present difficulties but to achieve the great unity of the nation and they unanimously stressed the great national-historic significance of the "10-point programme of the great unity of the whole nation for the reunification of the country" expounded by respected President Kim Il-song in opening the way of reunification with the great unity of the whole nation.

Student Group Issues Resolution

*SK3005082793 Pyongyang KCNA in English 0810
GMT 30 May 93*

[Text] Pyongyang, May 30 (KCNA)—The first meeting of the presidium of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) (telephone meeting) held in Beijing, Seoul, and Tokyo released a joint resolution on May 29.

The resolution says:

Considering that the way of achieving common prosperity and progress as one nation, not falling victim to outside forces, is to build an independent, peaceful, neutral unified state through a great unity of the whole nation, the members of the presidium resolve as follows to this end:

We will actively struggle for the independent and peaceful reunification of the country on the principle of the great unity of the whole nation.

We will vigorously fight to smash all manner of obstructions to the great unity of the whole nation and the national reunification.

We will continue to wage a vigorous struggle to get the U.S. forces and nuclear weapons withdrawn from the South and fight against U.S. imperialism that threatens the existence of our nation with the clamor for "special inspection".

The present authorities of the South should not follow in the footsteps of the preceding rulers who sold out the interests of the nation with funkism and treachery, turning their back on the nation, and, finally, could not save their own destiny, but must pursue civilian politics representing genuine democracy from the stand of national independence. We will urge the authorities of the South to renounce the policy of depending on outside forces, express the will to make the U.S. forces withdraw from the South, stop joint military exercises with foreign troops for good and break away from the "nuclear umbrella" of the United States.

We will fight it out for the abolition of the "National Security Law", dissolution of the "Security Planning Board" and the "secret affairs command" and the complete release of all the political prisoners in the South.

We will bring to a success the June 12 Panmunjom talks and the third grand reunification festival of youth and students at any cost.

We will further activate joint and solidarity struggles in keeping with the characteristics of Pomchonghaknyon.

Alliance Chairman Gives Report

*SK3005084993 Pyongyang KCNA in English 0829
GMT 30 May 93*

[Text] Beijing, May 29 (KCNA correspondent)—Paek In-chun, chairman of the North side headquarters, made a keynote report at the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) which opened in Beijing on May 29.

He said in the report:

Some separatist forces of South Korea who went back on their solemn oath in the North-South agreement and the joint declaration on the denuclearization of the Korean peninsula which had been adopted with so much efforts have strengthened as never before the offensive to blockade and isolate the North in league with outside forces. But the people of the motherland dealt a hard blow to them by turning against it with full confidence.

Declaring that the North side headquarters of Pomminnyon had made a big progress in the activities to implement the resolution of the third pan-national rally, he said:

We have taken a giant stride ahead in strengthening Pomminnyon by rounding off the organisational and propaganda system of the the North side headquarters and actively pushing ahead with the work of building up the organisation of each unit before anything else.

The North side headquarters opened a general meeting of its Central Committee in February, at which it reorganized the presidium and the Central Committee and reinforced the system of its secretariat and newly formed 11 branch organisations in the provinces and municipalities, thus completing the organisational system in the main.

We formed the editorial committee of the organ of the North side headquarters named "great national unity" and published and disseminated its first issue and widely conducted activities of various forms to propagandize the chuche-based view of the nation and reunification, the line and policy of national reunification among the people of the North side.

By powerfully waging the movements for the release of the patriotic figures who visited the North and repatriation of old man Yi In-mo along with the movement for the withdrawal of U.S. troops and nuclear weapons from South Korea and abolition of the "National Security Law" and other fascist laws in solidarity with the South side and overseas side, we compelled the South Korean authorities to release coed Yim Su-kyong and Father Mun Kyu-hyon on parole and then release Rev. Mun Ik-hwan on parole and repatriate old man Yi In-mo.

Now a new situation quite different from the time when the first meeting of the presidium of Pomminnyon was held in April last year has been created on the Korean peninsula, with the result that the North-South relations have gone back to the pre-dialogue phase of confrontation and, to cap it all, the danger of a thermonuclear war is hanging heavily over the peninsula.

Our nation must not take the road of self-destruction, playing into the hands of outside forces, but take the road of reunifying the country with the great unity of the whole nation. This is the only way out for our nation and the way for the North and the South to achieve common prosperity as the same nation.

"The 10-point programme of the great unity of the whole nation for the Reunification of the country" personally worked out by the respected President Kim Il-song and adopted at the fifth session of the ninth Supreme People's Assembly of the DPRK shows the best way of breaking the present deadlock and opening the way of national reunification.

An important task facing Pomminnyon at present is to realise the great unity of the nation on a broader scale by applying this programme to the reunification movement.

Another important task facing us is to wage the movement of Pomminnyon more briskly in conformity with the obtaining situation in order to carry out the resolution of the third pan-national rally. What is important here is to intensify the activities against dependence on outside forces and for adherence to the principle of national independence.

We must strengthen the movement to make the South Korean authorities take the stand of national independence and check the clamor of the United States and its followers for "nuclear inspection" against the North.

We must also direct our efforts to the struggle to pull down all the barriers, visible and invisible, barring great national unity and national reunification and to realise the democratization of the South Korean society in keeping with the demand of the people.

Stressing the need to consolidate the organization of Pomminnyon, a nationwide umbrella organisation for great national unity, and strengthen the solidarity movement, the reporter said: We should take practical measures to render the headquarters of Pomminnyon the looks of the central body by establishing and reinforcing Pomminnyon bodies including the joint secretariat to suit the local conditions extend more active support for the inauguration of the South side headquarters of Pomminnyon and its legalisation and strengthen solidarity among the reunification movements in the North, the South and overseas.

For the present, we should make the fourth pan-national rally a significant meeting of great unity of the whole nation represented not only by the compatriots in the North and overseas but also by the South side, a meeting

opening a new chapter in strengthening Pomminnyon and developing the reunification movement.

Group Adopts Letter for Korean Leaders

SK3105104093 Pyongyang KCNA in English 1016 GMT 31 May 93

[Text] Beijing, May 30 (KCNA correspondent)—A letter addressed to the authorities of the North and the South of the country was adopted today at the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) held in Beijing.

Noting that the dialogue for reunification has been unsuccessful and confrontation and tension are growing acute between the authorities in the North and the South, the letter says that the authorities of both sides should pave a way for national reunification with united efforts of the nation, boldly ridding themselves of the conception of mistrust and confrontation of the old era.

If the chief executive of the South proceeded from the spirit and idea of independence placing the nation above anything else and giving priority to the national interests when he said in his inaugural speech "no ally can be better than the nation", he should prove this by his bold practical action of breaking away from the policy of dependence on outside forces, the letter said.

The authorities of the South, it urged, must not join the United States in its nuclear row to stifle the Koreans but take a decisive step to get the U.S. troops and nuclear weapons out of the South of the country and stop for good and all the joint military exercises with foreign troops which might spell a nuclear calamity to the nation.

It is very regrettable that the evil law of the successive military "regimes", which defines the fellow countrymen as an enemy and incriminates any contact with them, remains intact under the "civilian government" which calls for distinctions between itself and the military "government" of the "sixth republic", the letter notes, demanding: The anti-national "national security law" and all other legal and institutional mechanisms should be destroyed as soon as possible and all the arrested pro-reunification and patriotic personages be released and reinstated unconditionally.

The South Korean authorities should recognize Pomminnyon calling for patriotism for reunification and such joint functions as the second meeting of the joint presidium and the 4th pan-national rally to be held in Seoul and render active assistance and encouragement to its activities and energetically support the reunification movement, the letter says.

It expresses the hope that they will soon take positive and practical steps for an early independent and peaceful reunification of the country.

Overseas Official Delivers Report*SK3105110093 Pyongyang KCNA in English 1027
GMT 31 May 93*

[Text] Beijing, May 29 (KCNA correspondent)—So Man-sol, vice-chairman of the overseas side headquarters, made a keynote report at the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) which opened in Beijing today.

Noting that over the last two years and a half after its formation the overseas side headquarters has done its utmost to fulfil its obligations, thus greatly contributing to the development of the movement of Pomminnyon as a whole, he said in the report:

A major success in the overseas movement of Pomminnyon is that its overseas organization has been expanded to be a broad organization.

Organizations of Pomminnyon have appeared in every region overseas where compatriots reside such as the headquarters of Koreans in Japan, the Japan regional headquarters, the American regional headquarters, the European regional headquarters, the Canadian regional headquarters, the headquarters of Koreans in China, the headquarters in the Commonwealth of Independent States, and the headquarters in Australia, to bring into shape an orderly organizational structure of the forces of the overseas reunification movement.

Moreover, the overseas side headquarters devotedly helped prepare the formation of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) so that its formation could be formally declared in August last year and it could successfully build its overseas organizations.

When the North-South agreement and the joint declaration on denuclearization were adopted, opening a new phase for reunification, the overseas headquarters put forward a new orientation of its action and tasks and, when the practical implementation of the North-South agreement was deadlocked, it took urgent measures to carry out the resolution of the 3rd pan-national rally [PNR].

The task facing us at present is to oppose dependence on outside forces and strictly apply the principle of national independence and great national unity in the movement for national reunification, firmly adhering to it as the basic lever of reunification.

To this end, we should, above all, continue a vigorous movement of national independence to get the U.S. forces and nuclear weapons out of the South of the country. And the overseas movement in such countries as the United States and Japan which are plotting and instigating the "special inspection" campaign against the North, should put strong pressure upon the governments of those countries by waging an energetic massive action

to expose the unreasonableness of the "special inspection" and check and frustrate it, taking advantage of the local conditions.

We should also scathingly denounce the dangerous war game of the U.S. and South Korean authorities who staged the "Team Spirit 93" joint exercises, a war game against the North, in spite of the unanimous protest of the Korean nation and the world people.

We should strongly demand that the present "regime" in the South, if it is truly willing to be a "civilian government", stop at once its anti-national act of joining in the "special inspection" campaign against the North, not tailing behind the United States but adopting an independent stand, and take a dramatic step of getting the U.S. troops and nuclear weapons withdrawn in accordance with the North-South agreement and the joint declaration on denuclearization, abolish the "national security law", an anti-reunification evil law, and dissolve the "security planning board".

We should more positively support the activities for the formation of the South side headquarters of Pomminnyon and its legalization and make the 4th pnr scheduled this year a historical rally in which not only delegates of the North and overseas sides but also delegates of the South side will participate.

Group Calls News Conference*SK0206054693 Pyongyang KCNA in English 0421
GMT 2 Jun 93*

[Text] Beijing, May 31 (KCNA correspondent)—Delegates to the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) and the first meeting of the Joint Presidium of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) called a press conference in Beijing Monday.

Addressing the press conference, secretary general of Pomminnyon Yim Min-sik briefed on the 2-day Pomminnyon presidium meeting, which opened in Beijing on May 29 and discussed the first item on the agenda "on the present situation and immediate tasks of Pomminnyon" and the second item "on the convocation of the second meeting of the joint presidium of Pomminnyon and the fourth pan-national rally and the internal affairs of Pomminnyon" and reached an appropriate agreement.

He said that the delegates at the meeting analysed the nature of the "nuclear inspection" campaign of the United States and its followers intended to isolate and stifle the North of Korea as well as the grave situation created in Korea and discussed measures to cope with it.

They also confirmed the great national-historic significance of the "10-point programme of the great unity of the whole nation for the reunification of the country" in breaking the present deadlock and paving the way for reunification, he noted.

Then Ho Chang-cho, chairman of the North side headquarters of Pomchonghangnyon, spoke at the press conference.

He briefed on the first meeting of the joint presidium of Pomchonghangnyon which was held in Beijing, Seoul and Tokyo by telephone on the morning of May 29 and the items on the agenda discussed at the meeting and matters agreed upon there.

Group Provides Outline for Unity

*SK3105055693 Pyongyang KCNA in English 0454
GMT 31 May 93*

["Resolution of Pomminnyon Presidium Meeting"—KCNA headline]

[Text] Beijing, May 30 [date as received] (KCNA correspondent)—A resolution was adopted at the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) held here today.

According to the resolution, the meeting expressed the following unshakable will of Pomminnyon to open the way for national reunification with the great unity of the whole nation:

Firstly, we will do our utmost to achieve great unity of the whole nation.

Considering that achieving great unity of the whole nation is the primary task for meeting all challenges of the separatists at home and abroad and promoting national reunification, we will intensively organize various forms of activities for the great unity of the whole nation at home and abroad in conformity with the conditions of the headquarters of Pomminnyon and specific situation.

We will intensify activities for achieving a close unity of the whole nation on the basis of patriotism and the spirit of national independence among the Koreans on the peninsula and overseas, not criticizing pro-North or pro-South for differences in ideology, idea, political view and belief.

Secondly, we will invigorate the struggle for peace and reunification of the country on the principle of national independence.

We will constantly struggle to put an end to foreign interference in and domination over the internal affairs of our nation, get the U.S. forces and their nuclear weapons out of the Southern part of the country and put a final period to the "Team Spirit" joint military exercises and all other military exercises staged with outside forces.

We will more powerfully wage the joint struggle to check and frustrate the nuclear campaign of the United States intended to intensify pressure on the North under the pretext of fictitious "nuclear suspicion" and bring the holocaust of a thermonuclear war to our nation.

For the present, we will set the period from June 25 marking the 43rd anniversary of the outbreak of the June 25 war to July 27 marking the 40th anniversary of the signing of the armistice agreement as a "period of the anti-U.S., anti-war and anti-nuclear peace movement". We will also organize the movement of different forms and ways such as meeting and demonstration demanding the withdrawal of the U.S. forces and nuclear weapons from the Southern part of the country, the discontinuation of all joint military exercises with U.S. troops and an end to the U.S. nuclear clamor.

We will expose and check Japan's scheme for nuclear armament and its reinvasion of our country and continue to powerfully struggle for its apology and compensation for the crimes committed by the Japanese imperialists in Korea.

Thirdly, we will vigorously struggle for the democratization of society in the Southern part of the country.

We will launch a vigorous struggle urging the rulers of the South side to make a policy switchover toward independence, democracy and reunification, immediately abolish such anti-reunification fascist laws as the "National Security Law" and dismantle all the repressive tools including the "Security Planning Board" and the "Security Affairs Command" and unconditionally release and reinstate at once patriotic champions of reunification and all other prisoners of conscience.

We will dauntlessly struggle to bar the authorities from monopolizing North-South dialogue and exchange and win the freedom of non-governmental dialogue and exchange so as to provide favourable conditions for great national unity.

Fourthly, we will expand and strengthen Pomminnyon organizations as required by the obtaining situation and the developing movement for the country's reunification and further increase their role.

We will firmly build up all the organisations of Pomminnyon and its regional and branch organizations, consolidate the unity of the movement under the banner of great unity of the whole nation and energetically wage solidarity struggle of various forms at home and overseas to actively support all the activities of the preparatory committee for the formation of the South side headquarters of Pomminnyon.

We will conduct an energetic movement for cooperation and solidarity among Pomminnyon organizations, other patriotic organizations of the movement for reunification and broad segments of compatriots on the basis of the idea of national reunification under the banner of great national unity.

We will fully support and cooperate with each other to expand and strengthen the "National Alliance of Youth

and Students for the Country's Reunification" (Pomchonghangnyon) and, at the same time, expand solidarity organizations of all strata and branches to steadily extend the mass foundations of Pomminnyon.

Fifthly, we will make every possible effort for a successful holding of the second meeting of the joint presidium of Pomminnyon and the fourth pan-national rally.

Deciding to hold the second meeting of the joint presidium of Pomminnyon in Seoul, we will actively support the efforts of the preparatory committee for the formation of the South side headquarters for its realization.

We will do our utmost to make the fourth pan-national rally and activities of reunification festival scheduled on the occasion of August 15, the day of national liberation, a significant common festival of the nation for reunification conducive to promoting great unity of the whole nation and the reunification of the country.

Chondoist Chongu Party Criticizes Events in South

Publishes Questionnaire on Kwangju

SK2905053393 *Pyongyang KCNA in English* 0449
GMT 29 May 93

[Text] *Pyongyang, May 29 (KCNA)*—The Central Committee of the Chondoist Chongu Party on May 28 published a ten-point open questionnaire addressed to the South Korean authorities who are taking an irresolute attitude toward the truth behind the Kwangju blood-bath.

The questionnaire says:

1. Is it not avoidance of the solution of the Kwangju problem to refuse a probe into the truth of the massacre in Kwangju and the punishment of those responsible for it?

After seizing power, the South Korean authorities suddenly changed its attitude and argued that the probe into the truth behind the Kwangju incident should be left to history and the chief culprits in it be pardoned, stating that the "future" could not be abandoned owing to "ill-feeling".

Is it not, in the final analysis, to defend the fascist murder committed by the "Fifth and Sixth Republics" for the South Korean authorities to avoid an investigation into the truth of the Kwangju incident, contending that it should be left to history?

2. Do you not have the intention to take the United States to task for the massacre in Kwangju?

As is known, when the struggle of the Kwangju people went over to an armed uprising, the United States, much upset, opened an emergency meeting at the White House

and discussed steps to bring the situation under control and then it issued an order to put down the uprising "with an iron fist" by hurling heavily armed puppet army forces. And it directly supported the military fascists in the operation for crushing the uprising by issuing an "alert order" to the U.S. Forces present in South Korea.

Is it not discordance between words and actions to close your eyes to the responsibility of the United States, the real culprit in the massacre of fellow countrymen, while saying that the nation is dearer than any "ally"?

3. Is it an act of independence to increase the burden share for the maintenance of the U.S. Forces and keep them in South Korea?

Now the South Korean people demand that the payment of the burden share for the maintenance of the U.S. Forces be stopped, branding it as "a reward for the massacre of fellow countrymen" and the U.S. Forces be withdrawn at once.

Is it not time for you to abandon the flunkeyist line of treachery for survival under others' protection by inducing outside forces and having the sovereignty violated?

4. Do the South Korean authorities who propagandize "civilian politics" have the intention to release all the "political prisoners"?

The present South Korean ruler said that it was "an undemocratic act of abusing power" for the preceding "government" to have suppressed the "dissident figures."

The South Korean authorities must show by their practical deed their stand as to whether or not they intend to liquidate the "undemocratic criminal acts" of the past.

5. Is it not a reproduction of humiliating diplomacy toward Japan next to the treacherous "South Korea-Japan agreement" to seek a political solution of the problem of "comfort women for the army" without compensations for the damages?

The South Korean authorities now intend to dispose of the problem of "comfort women for the army" behind the curtain of "political settlement" without a full-scale probe into the truth behind it or adequate compensations. What difference is there between them and the "five traitors of 1905" or "second Yi Wan-yong"?

Are the South Korean authorities willing to withdraw their unjust stand of keeping the problem of "comfort women for the army" in the dark, though belatedly?

6. Isn't the "adjustment of functions" of the "Security Planning Board (SPB)" intended to quell the demand for its dissolution?

The South Korean people demand the disbandment of the "SPB" itself, not "adjustment of its functions".

Do the South Korean authorities intend to advertise "civilian government" only in words while leaving the fascist repressive machine as it is?

7. Is it possible to achieve national reconciliation and reunification with the "National Security Law [NSL]" left intact?

As for the "NSL", it is an outmoded legacy of the confrontational era, the worst law enacted with the aim of seeking confrontation with the northern half of Korea.

How do the South Korean authorities intend to achieve reconciliation and reunification with the North with such "NSL" left intact?

8. Shouldn't you carry out a true reform, if you are committed to "a reform"?

Now the South Korean people are unanimous in demanding that you call the preceding military dictators to account for their crimes and decisively break with them.

Shouldn't you accept this demand of the people as you committed yourselves to "civilian government"?

9. What is the reason why the South Korean authorities should fail to manifest their attitude and stand toward the "10-point programme of the great unity of the whole nation for the Reunification of the country"?

The 10-point programme of the great unity of the whole nation is a great charter of national unity which gives an allround exposition of the goal of great national unity and its ideological basis, principles and concrete ways. It is a most fair and realistic programme of great unity acceptable to anyone without any burden, irrespective of ideology, political view and religious belief.

Should the South Korean rulers not clarify their stand and attitude toward the 10-point programme, if they have the intention to reunify the country through the great unity of the nation?

10. What is your real intention in joining outside forces in raising a row over the "nuclear suspicion" against the North?

What is the real aim you pursue in raising the row over "nuclear suspicion" against the North so persistently in league with outside forces, while feigning innocence as regards the U.S. nuclear weapons deployed in South Korea and your own nuclear arms development?

Demands ROK Stop 'Nuclear Arms' Plans

*SK3005085593 Pyongyang KCNA in English 0838
GMT 30 May 93*

[Text] Pyongyang, May 30 (KCNA)—The Central Committee of the Chondoist Chongu Party in a statement May 29 demanded that the South Korean authorities

promptly stop their nuclear arms development and honestly implement the joint declaration on denuclearization.

The statement notes that the South Korean authorities have pushed ahead with the development of nuclear weapons in secrecy for nearly 30 years and now possess materials enough to make 1,500 20 kiloton-class a-bombs, the type dropped on Nagasaki by the United States. Sunam-tong of the Taedok research complex and the area of Mt. Kyeryong have turned into centres for researches into and development of means of nuclear delivery and the manufacture of nuclear warheads, it added.

The statement goes on:

The South Korean authorities have become outspoken in their call for nuclear armament under the slogan of "securing nuclear sovereignty". The "chairman of the special reunification panel of the Democratic Liberal Party" said "the North-South joint declaration on denuclearization has been made null and void in principle" and went so far as to openly blare that voices should be lifted up at the "National Assembly" calling for building up nuclear capacity.

This is an act for justifying the development of nuclear weapons which the South Korean authorities have so far promoted in secrecy. It fully proves that their nuclear armament has reached an extremely dangerous phase.

If the South Korean authorities persist in their criminal nuclear armament, refusing to break themselves free of the outmoded confrontational practices of the cold war era, they would meet with fiercer condemnation from the Korean nation which wants peace and peaceful reunification of the country and from the world people.

We take this opportunity of expressing the hope that the peace- and justice-loving political parties, organizations and conscientious figures of all countries will extend full support and encouragement to the Korean people in their struggle to check and frustrate the nuclear despotism of the U.S. imperialists and the nuclear arms development of the South Korean authorities.

Dailies Criticize South's Handling of Students

*SK0206064993 Pyongyang KCNA in English 0429
GMT 2 Jun 93*

[Text] Pyongyang, June 2 (KCNA)—The South Korean authorities, branding as "criminals" South Korean patriotic students who turned out in the struggle for independence, democracy and reunification, issued an order to brandish the sword at them without mercy and hurled repressive forces into campuses. This rabid act of theirs comes under fire in papers here today.

A few days ago, the South Korean "prime minister" labelled as "illegal" the struggle of students for a probe into the truth behind the Kwangju incident and the punishment of the chief culprits in the bloodbath and the

participation of the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) in the first meeting of the joint presidium of Pomchonghaknyon through telephone. On his repressive order, a police force was sent to Yonsei and Korea Universities where the South Korean Federation of General Student Councils had held rallies and walked off 40 odd students.

A NODONG SINMUN analyst says this is a vicious challenge to the patriotic forces for reunification and democracy and an unpardonable crime in reviving the truculent fascist, bayonet-backed rule of the "fifth and sixth republics".

The South Korean authorities must not confine themselves to talking about "breaking with" preceding dictators, "civilian politics" and "reform" but stop suppressing at the point of bayonet the struggle of students and people for an independent and democratic new politics, a new system and a new life, urges the analyst.

A MINJU CHOSON analyst says if the present "regime" of South Korea truly seek "civilian administration", it must not follow in the footsteps of former dictators who harshly cracked down on the struggle of students.

KCNA Reviews 2 Jun Pyongyang Press

SK0206060993 Pyongyang KCNA in English 0444
GMT 2 Jun 93

[Press review]

[Text] Pyongyang, June 2 (KCNA)—NODONG SINMUN today carries a letter to the great leader President Kim Il-song from the participants in the Nordic Symposium on the 40th anniversary of the Armistice in Korea held in Helsinki.

According to the paper, President Kim Il-song received messages from Togolese President Gnassingbe Eyadema in reply to his message of greetings on the occasion of the 33rd anniversary of the independence of Togo and from Sri Lankan President Dingiri Banda Wijetunge in reply to his message of condolences on the death of President Ranasinghe Premadasa.

The dear leader Comrade Kim Chong-il received congratulatory messages and letters from different countries on his election as chairman of the National Defence Commission of the Democratic People's Republic of Korea, says the press.

NODONG SINMUN informs the readers that reminiscences of President Kim Il-song "With the Century" vol. 3 was studied at the headquarters of the General Association of Korean Residents in Japan (Chongnyon) in all parts of Japan and Comrade Kim Chong-il's works were disseminated and studied in various countries.

The paper carries a report that South Korean people of different social standings briskly disseminated and studied the chuche idea.

"It is essential superiority of socialism that everything serves popular masses" is the title of an article of the paper.

Under the title "Song of the People Who Cast in Their Lot With the Leader", MINJU CHOSON introduces song "No Country Without You" which is sung by the Korean people, looking up to Comrade Kim Chong-il. Composed by the Pochonbo electronic band, the song carrying the rock-firm faith of the Korean people to uphold the leadership of Comrade Kim Chong-il with loyalty and filial piety is a song of national value for its high ideological and artistic level.

Econews of the press includes reports about proud achievements made by the workers of industrial establishments across the country in the fulfilment of the national economic plan for may in hearty response to the calls of the Central Committee of the Workers' Party of Korea issued on the occasion of the 40th anniversary of the victory of the Korean people in the Fatherland Liberation War.

The press gives an account of colorful functions held in Korea on the occasion of the 43rd anniversary of the June 1 international children's day.

The head of the DPRK delegation in a statement issued upon arrival in New York for DPRK-U.S. talks, clarified the DPRK's stand toward the talks, says the press.

The DPRK ambassador paid a courtesy call on the Vietnamese president, says NODONG SINMUN.

Appearing in the press is a report made by Zakia Zeba at the Pakistani national seminar on the chuche idea and the building of independent new society.

Spotlighted in the press is an account of a press conference called in Beijing by the delegates to the meeting of the presidium of the National Alliance for the Country's Reunification (Pomminnyon) and the first meeting of the joint presidium of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon).

NODONG SINMUN comes out with a commentary condemning the South Korean authorities for openly resorting to bayonet-brandishing against the patriotic reunification democratic forces, while crying for "civilian politics" and "reform".

Seen in the paper is the third instalment of an article exposing the truth behind the development of nuclear weapons in South Korea.

Echoed in the press are world public voices denouncing the unjustifiable "resolution" of the United Nations Security Council against the DPRK.

The press reports that the Zambian president called for taking a tough stand toward UNITA and the Foreign Ministry of China hit out at the unjustifiable step taken by the United States.

An article of NODONG SINMUN exposes Japan's nuclear armament which is being stepped up at a very dangerous stage.

South Korea

Premier Urges 'Breakthrough' in North Ties

SK0206035893 Seoul YONHAP in English 0324 GMT
2 Jun 93

[Text] Seoul, June 2 (YONHAP)—South Korea proposed to North Korea Wednesday a working-level contact at the truce village of Panmunjom at 10:00 A.M. Saturday to discuss the nuclear issue and an exchange of emissaries for an inter-Korean summit. "It would be desirable for the two sides to find a breakthrough on the nuclear issue and discuss the proposal of exchanging emissaries through a working-level contact from a broad point of view so that inter-Korean dialogue is no longer deadlocked by differences over the format of the talks," South Korean Prime Minister Hwang In-song said in a telephone message.

Seoul dropped a demand to have contacts of delegates to the high-level talks and accepted the North Korean call to discuss the two matters in a working-level contact. The South proposed to have the contact on Saturday rather than Friday, which North Korea called for.

If the two sides meet on Saturday, inter-Korean dialogue will have resumed four months after the Joint Nuclear Control Commission last met on Jan. 25. "We highly evaluate the explicit expression of your side's willingness to resolve the nuclear issue," Hwang said.

Seoul Proposes 5 Jun Panmunjom Contact

SK0206013093 Seoul KBS-1 Radio Network in Korean
0100 GMT 2 Jun 93

[Text] The ROK Government sent a telephone message to North Korea this morning. In the telephone message, the government stated that it accepts North Korea's proposal for holding a working-level contact for exchanging special envoys. The government sent the telephone message addressed by Prime Minister Hwang In-song at 0930 today [0030 GMT]. In the message, the government also proposed that a working-level contact be held on 5 June in Panmunjom, a day later than North Korea's proposed date of 4 June.

In the message, the government agreed on discussions on the exchange of special envoys at the contact. The government reportedly stressed again in the message that North Korea must express its position on resolving the nuclear issue at the contact.

Official Suggests Nuclear Development With North

SK2905033093 Seoul THE KOREA HERALD in
English 29 May 93 p 2

[By staff correspondent Yi Song-yol]

[Text] Is it wise for South Korea to give up nuclear reprocessing facilities when keeping them would help this resources-poor country generate nuclear energy at a much lower cost? Though ex-President No Tae-u declared in November 1991 that South Korea would not develop nuclear reprocessing facilities, a senior ruling Democratic Liberal Party lawmaker attracted attention by suggesting that South Korea should reconsider No's decision to ensure the effective and peaceful use of nuclear energy.

"As the nation will need more nuclear power stations in years to come, we cannot continue to depend on foreign countries for nuclear fuel. We also know that we could generate nuclear power at a lower cost if we have reprocessing facilities," said Rep. Chong Chea-mun, chairman of the National Assembly Foreign Affairs-National Unification Committee, yesterday.

In an interview with THE KOREA HERALD, Chong hinted that No did not need to declare that Seoul would not possess reprocessing facilities when calling for a nuclear-free Korean peninsula. At the time, No vowed not to develop nuclear fuel reprocessing and enrichment facilities, not to mention nuclear weapons, and declared that South Korea will use nuclear energy solely for peaceful purposes. No also called on Pyongyang to scrap reprocessing facilities.

Chong noted, however, that Japan has a considerable amount of plutonium in store and possesses the technology needed to reprocess it to meet the growing demand of its nuclear power stations. If the nation had reprocessing facilities, it would also reduce the problems surrounding nuclear waste, Chong noted.

Chong, 57, a close aide of President Kim Young-sam, also said Seoul is willing to cooperate with Pyongyang once it seeks to develop nuclear energy solely for peaceful use. Chong became a lawmaker in 1985 after he joined Kim Young-sam's then opposition party as his diplomatic affairs secretary.

"If Pyongyang's efforts are aimed at the peaceful use of nuclear energy, North Korea should ask for cooperation from us or some foreign countries having advanced nuclear technology. However, they are trying to hide their nuclear facilities," said Chong, proposing the joint development of nuclear energy for peaceful purpose.

"Unfortunately, it is obvious that the North has already developed a crude reprocessing plant" in a bid to produce nuclear weapons, Chong said. He said that it seems to him that the North has already produced or is expected to produce nuclear weapons in the near future, as even physics students are able to make a Hiroshima-type bomb in the laboratory.

When the North produces nuclear weapons, it will only be a matter of time until Japan gains nuclear arms, and then the South would be surrounded by nuclear powers, Chong said. Chong noted that the North has already violated the inter-Korean denuclearization agreement signed in December, 1991, saying that the National Assembly should declare the agreement nullified if Pyongyang does not return to the Nuclear Nonproliferation Treaty (NPT) by the deadline of June 12.

The inter-Korean denuclearization agreement stated that neither side would produce or possess nuclear weapons, or possess reprocessing and uranium enrichment facilities. Commenting on Tuesday's North Korean proposal for an exchange of special presidential envoys for talks on an inter-Korea summit, Chong said, "The government should be careful not to be used by the North, as has happened before."

He said the proposal may be "a maneuver to evade mounting international pressure against its nuclear program." "Pyongyang ought to first accept the special inspections of the International Atomic Energy Agency (IAEA)," he said, adding that Seoul doesn't have to shrink from inter-Korea dialogue, though.

Chong also suggested that the existing cease-fire treaty between the U.N. forces and Communist North Korea and China signed at the end of the Korean War (1950-1953) be converted to a peace pact, saying that the United States and China should be requested to lead the way on this matter. "If that was done, Washington could then establish a trade representative in Pyongyang in a bid to improve relations between the two countries and induce openness in the North," Chong said.

"It would be a good way to help solve the problems of North Korean nuclear program and the lingering Cold War on the Korean Peninsula," he noted. Chong said Pyongyang's Scud missiles, as well as its nuclear program, pose a serious threat to the security of Northeast Asia. Chong's parliamentary committee adopted a resolution in March and mid-May calling on the North to return to the NPT and accept IAEA inspections.

DPRK Said To Propose Mt. Paektu Development

*SK3005073593 Seoul SEOUL SINMUN in Korean
30 May 93 p 2*

[Text] A well-informed source from the Yanbian region revealed on 29 May that recently through a high-ranking channel, North Korea proposed to the ROK side to jointly develop a world-wide, large-scale tourist complex in the Mt. Paektu area.

This source which is well-informed of the North Korean situation revealed that such a proposal was made during a meeting between the ROK's Mangwang Development (chairman: Son Sok-ho, also chief director of the ROK League of Lay Christians); a high-ranking official of the joint venture company Yanguang Development; and a high-ranking aide to Kim Chong-il who came to Yanji in

early May after receiving direct orders from Kim Chong-il to promote this project. With the extensive financial backing of the ROK Christian body, these two companies are promoting projects to build the Yanji International Airport, the Yilan Town Livestock Complex, and a resort on the Chinese side of Mt. Paektu.

During the meeting, the North Korean side proposed that other than the development of Mt. Paektu around the area of the Chinese territory, the area north of the Samjiyon Airport situated on North Korea's side of Mt. Paektu, which is billions of pyong [1 pyong=3.954 sq. yds.] in size should be jointly developed to make it into the world's largest resort complex with skiing, a golf course, condominiums, hotels, and hunting grounds. This source revealed that Yanguang Development promised to actively examine this from a positive position.

This source continued: "The Yanji delegation including Mayor Pak Tong-kyu are currently in Pyongyang. The delegation is negotiating with the North Korean side on the problem of developing Mt. Paektu as a tourist complex and using Chongjin Port to transport various goods from Yanbian."

In this regard chairman Son of Mangwang Development said: "We are examining its feasibility. We agree in principle on North Korea's proposal to jointly develop Mt. Paektu, but as long as North Korea's nuclear issue is unresolved, we informed the North side of our position that it will not be possible to progress on this project."

Peruvian President Arrives for Three-Day Visit

*SK0206040693 Seoul YONHAP in English 0255 GMT
2 Jun 93*

[Text] Seoul, June 2 (YONHAP)—Peruvian President Alberto Fujimori arrived in Seoul on Wednesday for a summit focusing on economic cooperation. Fujimori, first Peruvian president to ever come to South Korea, arrived on a three-day state visit with eight government officials and 19 business leaders.

He meets President Kim Yong-sam later Wednesday. A separate foreign ministers' meeting is scheduled for Thursday where they will sign agreements on an investment guarantee and fisheries cooperation.

The two countries will discuss Seoul's extension of 20 million U.S. dollars from its Economic Development and Cooperation Fund (EDCF) for Peruvian airport construction, establishment of a South Korean industrial complex in Peru, increased squid catch quotas at waters off the South American country and other economic issues, Seoul officials said.

Meets Kim Yong-sam 2 Jun

*SK0206084593 Seoul YONHAP in English 0758 GMT
2 Jun 93*

[Text] Seoul, June 2 (YONHAP)—Presidents Kim Yong-sam of Korea and Alberto Fujimori of Peru agreed

to maintain close cooperation between their countries in the United Nations and other international forums and to expand economic cooperation in summit talks Wednesday afternoon. They shared the opinion that the Korea-Peru investment guarantee pact to be signed by their foreign ministers on Thursday would pave the way for Korean firms to invest in the Latin American country.

Kim noted that North Korea's nuclear issue not only has posed a threat to the Korean peninsula and the Asia-Pacific area but also has created a concern in the world community, and Fujimori said Peru would cooperate in international efforts to solve it. Kim expressed his thanks to Fujimori for Peru's decision to take part in the Taejon EXPO this summer. He also expressed hope for continuing cooperation between the two countries in fishing in waters off Peru and in Peru's natural resources development.

Fujimori arrived in Seoul in the morning and attended a welcome ceremony before the summit at the presidential residence of Chongwadae. In his welcome speech, Kim stressed the need for the two countries to increase bilateral economic and trade relationships and to further mutual cooperation in international forums.

Seoul, Moscow Agree on Fishing Rights

SK0206090293 Seoul YONHAP in English 0802 GMT
2 Jun 93

[Text] Seoul, June 2 (YONHAP)—Russia has agreed to expand the South Korean fishing zone in its waters by more than 50 kilometers and allow the purchase of Russian quotas to make up for the loss of access to the Sea of Okhotsk, Foreign Ministry officials said Wednesday [2 Jun]. Russia had also agreed to hold a meeting of the Joint Fisheries Committee in October in Seoul to set the quota for next year, they said, citing a report from Korean negotiators at talks in Moscow.

A three-point accord reached at the talks in Moscow permits private quota exchanges, allowing Korean fishermen to buy quotas from their Russian counterparts. It moves Korea's fishing boundary from 47°-50' to 47°-50'30" and schedules the committee meeting for October to determine government-level quotas.

Seoul catches pollack in Okhotsk and in Russian economic zones, but pulled out all its vessels from Okhotsk after Moscow declared a moratorium on fishing in the area in April. The officials say they hope to make up for the loss by buying quotas from Russian fishermen and securing a larger allowance for next year. Seoul will also secure more pollack by bartering catches of other fish that Moscow wants.

Editorial Views PRC Foreign Minister's Visit

SK2905033493 Seoul THE KOREA HERALD in
English 29 May 93 p 6

[Editorial: "Qian's Visit to Seoul"]

[Text] The question of how to restrain North Korea from developing nuclear weapons has dominated the world's diplomatic circuit in recent weeks. It was also a main topic of the just-concluded visit of Chinese Foreign Minister Qian Qichen to Seoul. Widespread international concern over the threat of North Korean nuclear arms thus continues to grow as time is running out for Pyongyang, which has so far refused to back down with its characteristic obstinacy.

The Chinese visitor made it explicitly clear that China would make maximum efforts to persuade North Korea to abandon its nuclear weapons development program, while offering its full support to the denuclearization declaration signed between South and North Korea in December 1991. In a meeting with Qian, President Kim Yong-sam called the nuclear program the greatest threat to regional peace and security.

No doubt the issue is urgent, for a nuclear-armed North Korea would not only jeopardize its neighbors but would certainly set off a nuclear arms race in East Asia. A number of options are being discussed for dealing with the North Korean threat. In Washington and European capitals as well as at the United Nations headquarters, talks of using economic sanctions and other means as the next step has increased. For the time being, however, neither the United Nations and the United States nor South Korea would risk such drastic measures that might heighten tension on the Korean peninsula. This moderate position was made clear by President Kim as well as Foreign Minister Han Sung-chu who told the visiting Chinese foreign minister that if the nuclear issue were resolved, Seoul would regard North Korea as a partner and seek to expand economic cooperation between the South and the North.

Beijing could indeed do a decisive service to the cause of Korean peace and East Asian security if it would help, as Qian promised, induce Pyongyang into honoring its pledge under the provisions of the Nuclear Nonproliferation Treaty (NPT) and effectuating the agreed inter-Korean mutual inspection of nuclear plants. In fact, the current nuclear dispute is the only drag on the progress of the inter-Korea dialogue and reconciliation.

There is little doubt that Pyongyang will lose much of its blessing from Beijing if it holds onto its isolationist hard-line policies. Seoul and Beijing will now be able to work together to help Pyongyang get out of its old rut and reach out for international acceptance with an open mind.

As leading members of the Pacific community, Seoul and Beijing should play more positive roles to invigorate regional peace and stability. Now that a step forward was taken in the Seoul-Beijing relationship with the first official visit of Chinese Foreign Minister Qian to South Korea, a cool head and humble mind should guide our deals with our Chinese partner in carrying out mutually beneficial projects. On the basis of reciprocity our two

nations could evolve a profitable and congenial relationship to improve on their traditional ties.

Minister To Tour Europe, Visit IAEA 6-17 Jun

*SK0106094293 Seoul YONHAP in English 0811 GMT
1 Jun 93*

[Text] Seoul, June 1 (YONHAP)—Foreign Minister Han Sung-chu is to make a European tour that will take him to the world conference on human rights in Vienna, to permanent member-nations of the U.N. Security Council and to the International Atomic Energy Agency (IAEA) headquarters, the Foreign Ministry announced Tuesday. The June 6-17 trip covers Russia, Poland, France, Britain and Austria in Han's first visit to Europe since taking up the post of foreign minister in February.

At the world conference, opening after a 25-year hiatus, Han is expected to pledge Korea's new and active efforts in improving human rights conditions in his keynote speech. His visits to Russia, Britain and France are part of Seoul's efforts to keep U.N. Security Council nations aware of North Korea's nuclear situation and to seek coordinated measures for deterring Pyongyang's nuclear development.

Han will deliver personal letters from President Kim Yong-sam to Russian and Polish leaders, exchange a ratified basic relations treaty with Moscow and sign a cultural cooperation agreement while in Warsaw. The foreign minister is scheduled to meet with IAEA Director-general Hans Blix while in Vienna to discuss bilateral efforts for the agency's continued inspection on North Korea's nuclear facilities.

Seoul To Support APEC Trade Investment Plan

*SK3105031893 Seoul YONHAP in English 0230 GMT
31 May 93*

[Text] Seoul, May 31 (YONHAP)—South Korea has decided to positively push for the signing of a Trade Investment Framework Agreement [TIFA] participated by 15 member countries of the Asia-Pacific Economic Cooperation (APEC), a government official said Monday. The government has already commissioned such major state-supported think-tanks as the Korea Development Institute (KDI) and Korea Institute for Economics and Technology (KIET) to conduct a study on it and draft the agreement.

In accordance with the decision, he said, Seoul will express its support for Washington's proposal in March for a multilateral TIFA in a ministerial meeting of the APEC to be held in Seattle in November, he said. South Korea will bring up the issue at senior working-level APEC meetings in June and September prior to the ministerial meeting.

"We will seek to strengthen APEC in case the North American Free Trade Agreement and European Community develop in regionally exclusive ways," a government official said Monday. "Besides, the need for a

long-term device to develop stable trade and economic relations with the United States over is rising."

Seoul To Join Environmental Conventions in 1993

*SK0206082593 Seoul YONHAP in English 0653 GMT
2 Jun 93*

[Text] Seoul, June 2 (YONHAP)—The South Korean Government decided Wednesday to join four international environment conventions this year. It will join the Convention on International Trade in Endangered Species (CITES) this month, the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter by September, and the Basel Convention on Control of Transboundary Movement of Hazardous Wastes and Their Disposal and the United Nations Framework Convention of Climate Change in the second half of the year.

Korea will also ratify the Convention of Biological Diversity, signed during the U.N. Conference on Environment and Development in Rio de Janeiro last June, next year to become a member after installing the legal and systematic backing for it. The issue was discussed and decided in an environment-related ministerial meeting Wednesday, presided by over Prime Minister Hwang In-song and attended by Deputy Prime Minister Yi Kyong-sik, Foreign Minister Han Sung-chu, Home Minister Yi Hae-ku, Trade, Industry and Resources Minister Kim Chol-su, Environment Minister Hwang San-song and 11 other ministers.

The government decided to enter CITES this month in view of the growing pressure from advanced countries and international organizations to stop trade in endangered wildlife and plants. It will condition its joining that the international community guarantees a three-year grace period on its trade of musk and bear's gall, two out of the five items that are regulated. Korea will immediately limit its transactions of the other three.

But the government will continue to study the standing of the two substances used for medication in Korea and try to shorten the deferment if possible while seeking alternatives in developing medicines. It hopes to join the framework convention on climate change, also initiated during the earth summit, before its likely effectuation this year-end. In line with the aim, it will work to cut releases of carbon dioxide 7.7 percent by 2000 and 39.2 percent by 2010.

To effectively cope with Russia's dumping of nuclear waste in the East Sea, Korea will sign the London-born convention safeguarding maritime pollution by September. It will join the Basel Convention, a watchdog on movement and disposal of wastes that took effect in May 1992, this year in time with the entry of the United States and Japan, importers of ferrous scrap and other waste. The government will dispatch a delegation led by Environment Minister Hwang to the first U.N. Commission on Sustainable Development meeting in New York

from June 14-25 to call for technology transfer from advanced countries while protecting domestic industry.

President Rejects Justice Minister's Resignation

SK2905033293 Seoul YONHAP in English 0119 GMT
29 May 93

[Text] Seoul, May 29 (YONHAP)—President Kim Yong-sam turned down the resignation of Justice Minister Kim Tu-hui on Saturday morning, shortly after he tendered it to take responsibility for some prosecutors' involvement in the slot-machine racket. Kim Tu-hui took the action after Yi Kon-kae, a former chief of the Taejon High Public Prosecutor's Office, was arrested late Friday night on suspicion of receiving hundreds of millions of won from Chong Tuk-chin, reputed boss of the slot-machine racket.

Earlier, three senior prosecution officials, including Yi and Vice Minister Sin Kon, had to resign when their involvement in the slot-machine racket became apparent. President Kim named Kim Ki-suk, chief of the Pusan district prosecutor's office, vice justice minister, replacing Sin.

Justice Minister Kim submitted his resignation while he was reporting to the president on the progress of the investigation into the slot-machine scandal, presidential spokesman Yi Kyong-chae said. President Kim expressed regret that some prosecutors were involved in the scandal, but commended the prosecution for enduring "the pains of excising its own ailing part," Yi said. The president then asked the minister to continue to take the lead in the construction of a "new Korea" by reestablishing the dignity of the prosecution to work for a clean and just society, Yi said.

Urges Anticorruption Prosecution

SK0206023593 Seoul YONHAP in English 0147 GMT
2 Jun 93

[Text] Seoul, June 2 (YONHAP)—President Kim Yong-sam exhorted the prosecution Wednesday to bear the brunt of his war on corruption and irregularities. Kim, in a breakfast meeting with Justice Minister Kim Tu-hui, Vice Justice Minister Kim Ki-suk, Prosecutor-General Pak Chong-chol and Central Investigation Department Director Kim Tae-chung of the Supreme Public Prosecutor's Office, said that the prosecution should endeavor to turn its recent misfortune into a blessing for the restoration of its honor.

Chongwadae Spokesman Yi Kyong-chae said that Kim urged the prosecution to be born again as a key law-enforcement agency as it had recently suffered the pain of dismissing three senior prosecutors. "I expect the reborn prosecution to take pride in its faithful duty to the people," Yi quoted Kim as saying.

"As the president bears the responsibility of defending the state and the people's property, so the prosecution has the duty of supporting and maintaining the state as a

key law enforcer. "With corruption and irregularities remaining, we cannot build a new economy, nor a new Korea."

Speaker Accepts DLP Official's Resignation

SK2905043193 Seoul YONHAP in English 0308 GMT
29 May 93

[Text] Seoul, May 29 (YONHAP)—Rep. Yi Won-cho of the ruling Democratic Liberal Party [DLP] tendered his resignation from the National Assembly on Saturday and it was immediately accepted by Speaker Yi Man-sop. The resignation, submitted by a secretary, said he was unable to carry on as a national assemblyman due to illness, and said that he was suffering from diabetes and a liver ailment.

Yi is in Japan, where he went after suspicions arose that he received huge amounts of bribes from An Yong-mo, president of Donghwa Bank. He has been receiving medical treatment in Japan since May 18 after slipping out of the country as the prosecution was about to question him on allegations that he received hundreds of millions of won from An. Yi's national constituency seat will go to Yi Chae-myong, president of planning and coordination office of the Daewoo Group and an alternate DLP member for the seat.

Meanwhile, DLP Secretary-general Hwang Myong-su said that the party would request Rep. Kim Chong-in, charged with receiving bribes from An, to quit his parliamentary seat "since he had admitted of his guilt." "Should he fail to accept our request, we'll have no choice but to kick him out," he said. A senior party source said Saturday that he saw it inevitable that Rep. Chong Chae-chol might step down voluntarily as chairman of the Party's Central Standing Committee over the trouble caused by his failure to declare ownership of 1.2 billion (1.5 million U.S. dollars) when disclosing his assets in March.

Police Arrest Game Room Owner on Bribery Charge

SK2805114393 Seoul YONHAP in English 0926 GMT
28 May 93

[Text] Seoul, May 28 (YONHAP)—The National Police Administration arrested the owner of a slot-machine game room in Seoul Friday on charges of giving bribes to senior government officials, including police officers, in return for conniving at irregularities. The police also booked without detention two high-ranking police officers and three officials of the Legislation Ministry on taking bribes.

Yang Kyong-son, 45, the owner of a slot-machine game room in a Seoul Hotel, was arrested on charges of giving 7.5 million won (9,363 U.S. dollars) to the civil servants asking them to give favors for his business last year. The two police officers, including senior superintendent Pae Kyong-sun, chief of the Mapo Police Station in Seoul,

were charged with 3 million won in the process of cracking down on the game room and issuing a permit for it.

Meanwhile, the three officials were accused of having provided a favorable translation of regulations governing reissuance of permits for slot-machine business after taking money and entertainment from Yang. The police have accordingly decided to apply severe punishment, possibly dismissal, to the two police officers while informing the Legislation Ministry of the wrongdoings by the three officials for similar actions.

Prosecutor Arrests Branch Head

SK2805131993 Seoul YONHAP in English 1028 GMT 28 May 93

[Text] Seoul, May 28 (YONHAP)—The prosecution arrested Yi Kon-kae, head of the Taejon High Prosecutor's Office, Friday, on charges of receiving 542 million won (676,650 U.S. dollars) from the brother of the so-called kingpin of slot-machine business. Prosecutors at the Central Investigation Dept. [department] of the Supreme Public Prosecutor's Office told reporters that Yi demanded borrowing money from Chong Tok-il, a brother of Chong Tok-chin, the kingpin, in 1988 to buy a luxury town house in Seoul while serving as chief of the Criminal Investigation Dept. II of the office. The Department II deals with such socially sensitive crimes as organized crimes and hooliganing [as received].

The prosecution has virtually wrapped up intra-service investigations with the arrest of Yi and is expected to make an open apology to the public for the scandal Saturday morning. Yi, regarded as one of the most promising candidates to the prosecutor general in the near future, then received the money on three occasions from Tok-il who gave the money asking Yi to take good care of his brother and the business.

A senior prosecutor quoted Yi as denying the charge but said that the prosecution had "enough" evidence to prove it. Meanwhile, the prosecution said it has decided not to seek legal actions against former Vice Justice Minister Sin Kun and Chon Chae-ki, former chief of the Legal Research and Training Institute, who have been suspected of having "intimate" relationships with the Chongs.

Though intimate, the two were found to have received no money from the Chongs, the prosecutor said, adding that the prosecution, however would accept resignation of Kim Sung-hui, a prosecutor at the Taegu High Public Prosecutor's Office, for receiving a car from another slot-machine racketeer, Yang Kyong-son. Yang was arrested Friday on charges of giving bribes to government officials, including two senior police officers.

In addition, the six other prosecutors, who have allegedly had close relationships with the Chongs, have been found to have received no money from the duo and would be declared innocent. Tok-il was just be booked

[as received] without detention, the prosecutor said. Meanwhile, the prosecution has decided to investigate on tips that Yi's wealth was running above 10 billion won.

Prosecutor Notes Official's Arrest

SK2905061493 Seoul YONHAP in English 0505 GMT 29 May 93

[Text] Seoul, May 29 (YONHAP)—Prosecutor-general Pak Chong-chol announced the arrest Friday [28 May] of Yi Kon-kae, a former head of the Taejon High Public Prosecutor's Office, on charges of accepting a bribe of 54 million won from Chong Tok-il, brother of the slot-machine kingpin Chong Tok-chin. Vice Justice Minister Sin Kon and Judiciary Research and Training Institute Director Chon Chae-ki had resigned because of their personal relations with the Chong brothers, but had not received any money from them, Pak told a news conference on the prosecution's investigation of links within its own ranks to the slot-machine racket.

Kim Song-hui was fired as head of the Kimchon district public prosecutor's office for accepting a car from Yang Kyong-son, also a slot-machine owner, as a gift, Pak said. Four other prosecutors suspected of being involved in the slot machine racket had been cleared of suspicion but Pak Tok-hui, a clerk at the Supreme Public Prosecutor's Office, was arrested after being dismissed from his job for taking a bribe of 6.5 million won from Yang.

Senior Prosecutor Nam Chong-hyon of the Incheon district public prosecutor's office had expressed his intention to resign over his personal relations with Yo Unhang, the head of a gang in Kwangju, and his resignation would be accepted, Pak said. Two other prosecutors had been cleared of involvement in Yo's racketeering.

In a statement, Pak apologized for "the disappointment and concern at law and order in society that the prosecution caused." "I regret that the prosecution has become the target of public condemnation and must feel the pain of cutting its own flesh as a result of wrongdoings done by the very prosecutors who ought to be correcting them. "As prosecutor-general, I feel painful responsibility to the people, and I swear that the prosecution will strive to be born again as a clean and trusted law-enforcement agency, making the case a turning point for self-reforms and self-purification."

Ministry Prepared To Send Troops to Somalia

SK2905014093 Seoul YONHAP in English 0006 GMT 29 May 93

[Text] Seoul, May 29 (YONHAP)—The Defense Ministry said Saturday [29 May] it had completed preparations for the dispatch of a Korean contingent for the United Nations peacekeeping operation (PKO) in Somalia. The United Nations is currently negotiating with shipping companies, and when a contract is signed with one of them a vessel will arrive in Pusan to pick up equipment and materials which are waiting on a pier.

ministry officials said. As a result, the dispatch of the 252-man unit of Korean Army Corps of Engineers is expected to be carried out in mid-June or later, the officials said.

The Defense Ministry believes that it will take about 25 to 30 days for the equipment and materials to arrive in Somalia. An advance unit of some 30 soldiers will be sent to Somalia by a civilian airliner about a week before the expected arrival of the equipment, the officials said. The rest of the troops will follow in civilian planes chartered by the United Nations, they said.

Navy Commissions First Submarine 2 Jun

*SK0206064893 Seoul YONHAP in English 0518 GMT
2 Jun 93*

[Text] Seoul, June 2 (YONHAP)—The South Korean Navy commissioned its first submarine Wednesday [2 Jun], the 1,200-ton Changpogo-ham. The Changpogo-ham was commissioned in a ceremony at the naval base of Chinhae in South Kyongsang Province attended by Defense Minister Kwon Yong-hae, chairman of Joint Chiefs of Staff Gen. [general] Yi Yang-ho and Vice Adm. [admiral] Kim Hong-yol, chief of naval operations.

The 209-class submarine was built by HDW [expansion unknown] of Germany at a cost of 150 billion won (187.2 million U.S. dollars) and can cruise at 22 knots underwater. It has an ultra-modern command, control and firing system that can fire AEGSS4 anti-ship missiles and lay mines with ease. It is capable of carrying 14 missiles and 28 mines. It is 56 meters long, 6.2 meters wide, 5.5 meters high and has a maximum cruising range of 7,500 nautical miles with a 33-man crew aboard.

The submarine is equipped with devices to cope with electronic warfare and is rated to be superior to the 25 Whiskey-class and Romeo-class submarines that North Korea operates. The name Changpogo derives from the name of an ancient Korean who mastered the seas around the Korean peninsula in the early 1st century.

In October last year, the Navy launched the Yichon Ham, built by Daewoo Shipbuilding and Heavy Machinery Co. under a technical tieup with the German shipbuilder. The Yichon Ham, now under an extensive operational testing, is expected to be commissioned by early next year, and six more domestically-built subs will be put into service by 1998.

The Navy has been vigorously pushing ahead with an ambitious project for a submarine fleet since 1982 in an attempt to counter the underwater threats from the North, judging that the existing anti-submarine warfare capabilities, largely dependent on destroyers and frigates, have limited ability to fully counter threats posed by North Korean submarines. The Navy is also aimed at introducing medium-sized submarines that can be equipped with missiles designed to attack targets on the ground and in the air after 1998.

Seoul Lists Early Retirees for 2d Quarter of 1993

*SK0206052193 Seoul YONHAP in English 0257 GMT
2 Jun 93*

[Text] Seoul, June 2 (YONHAP)—The Government Administration Ministry announced Wednesday a list of 339 civil servants who are qualifying for retirement in the second quarter under the early retirement plan. There are 119 more names than in the previous quarter but 93 fewer than in the same quarter a year earlier.

There are 27 grade two and three officials, 109 grade four and five officials, 62 grade six and lower officials, and 141 others, including policemen, clerks in the prosecution and researchers. The early retirement plan, introduced in 1987, is for grade two and lower officials who have one to 10 years to go to retirement and have served 20 years or longer in government. Retirees under this plan increased from 219 in 1987 to 250 in 1988, to 630 in 1989, to 658 in 1990, to 843 in 1991, and to 1,197 last year.

Minister Stresses Global View in Diplomacy

*SK3105031993 Seoul YONHAP in English 0259 GMT
31 May 93*

[Text] Seoul, May 31 (YONHAP)—Foreign Minister Han Sung-chu, elaborating on President Kim Yong-sam's "new diplomacy," said South Korea had to break out of its shell and take a more global view of foreign policy Monday. Han, speaking before the Korean Council on Foreign Relations, laid out five fundamentals: Globalism, diversification, multi-dimensionalism, regional cooperation and future orientation.

"Korea's contemporary diplomacy was born at a time when the precarious situation in the aftermath of its independence and the Korean war rendered state survival as the foremost national goal," Han said. "Our diplomacy has since been pursued in the context of the ongoing inter-Korean confrontation." Korea must boldly break with this past, Han stressed.

"While continuing to deal with inter-Korean relations as one of our top priority issues, our diplomacy will no longer become a hostage to it." Following up on Kim's foreign policy speech a week ago, Han said the country had to pay more attention to universal values such as democracy, freedom, welfare and human rights. "These values should become an integral part of our moral value system," he said.

As specific steps to this globalization, he pledged that Korea would take an active part in international peace, disarmament, poverty relief, environment and natural resources. He also pledged more contributions to U.N. peacekeeping operations.

Han said Korea had to diversify its diplomatic focus. "...Korea should further develop its relations with west and Southeast Asia, the European community, the

Middle East, Africa and Latin America, not to mention the four powers... The United States, Japan, China and Russia," he said.

He said there had to be diversification in issues, away from security-dominated diplomacy. "As a case in point, international relations are beginning to evolve from security dominant concerns to such areas as economic, environmental and cultural issues," he said. It was economic power that determined a nation's real strength, Han said.

"One cannot overemphasize the importance of a healthy and strong economy as the main driving force behind national security and unification." On regional cooperation, Han placed No. 1 priority on security dialogue, envisaging a mini-CSCE (Conference on Security and Cooperation in Europe) framework for Northeast Asia. CSCE and NATO had enhanced the sense of security and mutual trust among European neighbors, Han pointed out.

"In the same manner, the participation of Japan, China and other regional powers... Could bring about similar results." The special burden from national division can be overcome by looking at the situation "in a broader perspective both in terms of time and space," according to the foreign minister. "This means, in other words, a future-oriented approach which will guide us in charting our diplomacy."

He split future-oriented diplomacy into management of national division, achievement, achievement of reunification and preparation for the post-unification era. It involved transforming current hostility into cooperative coexistence, securing full support of the four surrounding powers, and articulating the key principles and maintaining consistency in the country's foreign policy, Han said.

Seoul To Act Against 'Violent Demonstration'

SK0106112293 Seoul YONHAP in English 1047 GMT 1 Jun 93

[Text] Seoul, June 1 (YONHAP)—The government on Tuesday [1 June] warned that it would act sternly against any person making unauthorized contact with North Korea or involved in violent demonstration. The warning came after the National League of College Student Organizations (Hanchongnyon) made a meeting with North Korean student representatives over the phone and staged violent street demonstrations on last Saturday.

At a joint press conference among the home affairs, justice and education ministers, Home Minister Yi Hae-ku said the government will no longer leave anti-community activities unchecked if only to ensure the minimum necessary order for the society. Yi said Hanchongnyon's telephone contact with North Korea without government authorization constitutes an express violation of the law. "We, therefore, shall thoroughly

ferret out the ringleaders of the recent illegal telephone contact and deal rigidly with them according to law," he said.

Explaining about the background that has led the government to decide on such firm steps, Minister Yi said Hanchongnyon leaders showed a radical leftist inclination by siding with North Korea's southward policy and denouncing the Seoul government. "Hanchongnyon leaders openly came in contact with North Korean students and those abroad controlled by North Korea while demanding the withdrawal of American Forces from Korea and advocating a unification under a confederation system as suggested by North Korea," Yi said.

Travel Deficit Widens During Jan-Apr Quarter

SK2905053593 Seoul YONHAP in English 0138 GMT 29 May 93

[All numbers, dollar figures as received]

[Text] Seoul, May 29 (YONHAP)—While fewer foreign tourists are visiting South Korea this year, more South Korean tourists are going overseas and so the travel deficit is widening, the Transportation Ministry said on Saturday. In January-April, 938,200 foreign tourists arrived, down 10.7 percent from 1,050,000 a year earlier, and 716,000 South Koreans went overseas, up 9.2 percent from 656,000.

Travel earnings were 1,000,434,000 U.S. dollars and spending was 1,198,725,000 dollars, for a 198,291,000-dollar deficit. The deficit compares with 152,941,000 dollars last year.

The cause was a sharp drop in Taiwanese tourists since the severance of ties between Seoul and Taipei last year. Taiwan is the second largest tourism market after Japan. Arrivals of Japanese and U.S. tourists also decreased.

More Koreans are going overseas despite measures to regulate overseas travel, growing 9.4 percent in January, 11.9 percent in February, 8.6 percent in March and 6.9 percent in April. In the four months, per capita spending abroad was 1,674 dollars, down 9.6 percent from 1,853 dollars in 1992.

Autos 'Major Export' During Jan-Apr Quarter

SK0206020593 Seoul YONHAP in English 0127 GMT 2 Jun 93

[Text] Seoul, June 2 (YONHAP)—Automobiles became a major export item in January-April, running a close third after garments while semiconductors held a huge lead, export industry sources said on Wednesday. While total exports rose 7.2 percent or 1,678 million U.S. dollars over a year earlier, automobile exports soared 107.5 percent or 747 million dollars.

Automobile exports hit 1.92 billion dollars in 1990 and ranked 10th among exports, 2.31 billion dollars for ninth place in 1991 and 2.84 billion dollars for sixth place in

1992. In the first four months, semiconductor exports reached 2.27 billion dollars, garments 1.62 billion dollars and automobiles 1.44 billion dollars. Automobiles accounted for 5.8 percent of total exports, compared with 3.2 percent in 1991 and 3.7 percent in 1992.

Foreign Banks Trying To Enter Domestic Market

SK2905033893 Seoul THE KOREA HERALD in English 29 May 93 p 8

[Text] Despite the worsening business climate here, more foreign banks are actively seeking to enter the domestic financial market. According to the Office of Bank Supervision [OBS], Banco Di Napoli will establish a Seoul representative office this year and the Bank of China, which set up a representative office last year, is likely to open a branch in Seoul.

The National Westminster Bank, which has now a representative office here, will establish a branch in Seoul this year. In addition, the Credit Lyonnais and the Bank of Hawaii, both of which have a single branch in Seoul, will establish additional branches in Taegu this year, the bank watchdog body said.

The number of foreign banks doing business here will increase from 73 branches of 51 banks now to 77 branches of 53 banks by the end of the year. The steady increase in the number of foreign banks advancing into Korea indicates that the domestic financial market still is seen as "lucrative" to them, though the business climate has recently worsened, said an OBS official.

In stark contrast, Citibank, a foreign bank dealing with retail banking services here, is to close its Itaewon branch next month in an apparent move to trim its losses. Citibank's unusual action came at a time when most foreign banks here are suffering great difficulties in doing operations, largely because of the weak corporate fund demand coupled with a considerable drop in the market interest rates.

Foreign banks here have relied upon corporate loans for the bulk of their operations here. The combined loans extended by foreign banks here declined by 17 percent from last July to 3,749 billion won on an outstanding basis as of the end of February this year.

In addition, foreign banks have given up revolving much of the "swap funds," a main source of raising local currency. Under the swap agreement, foreign banks here are allowed to exchange dollars from their head offices for local currency at the Bank of Korea.

The combined ceilings on swap funds free of foreign exchange risk for foreign banks here amount to \$1.3 billion. The amount of the funds held by foreign banks in the form of local currency stood at a mere \$860 million as of the end of April, sharply down from \$1.3 billion at the end of December last year.

The main reason for the sharp decline in corporate loans and swap funds is that domestic businesses see no need to borrow money from foreign banks, which are charging higher interest rates on loans than domestic banks, said an OBS official. In the past, foreign banks had little difficulty managing their loan resources, because of corporate fund demand in excess of supply.

Seoul To Launch Second Satellite 1 Sep

SK2905033693 Seoul THE KOREA HERALD in English 29 May 93 p 3

[By staff correspondent Cho Kyong-uk]

[Text] Taejon— The second science satellite built by Korean scientists will be launched into orbit Sept. 1 on the occasion of the Taejon International Expo '93, said Choe Sun-tal, head of the Satellite Technology Research Institute (SaTrec) at the Korea Advanced Institute of Science and Technology (KAIST). The satellite will be lifted off from the Kourou Base in French Guiana by an Ariane rocket developed by the European Space Agency. It will orbit the Earth once every 101 minutes at an altitude of 820 km.

Weighing just 50 kg and measuring 35.2x35.6x67 cm, the satellite, named Uribyol-2 (Our Star-2), is equipped with KASCOM (a 32 bit computer), two high-performance cameras to photo the Earth, space exploration measuring equipment and other high-tech communications and electronic gear. Uribyol-2 is designed to send valuable technical information back to a ground station located at the Taeduk Science Town here. It will also transmit information to the Korea Antarctic Science Post, which was installed in 1991 to conduct scientific experiments with information from Uribyol-1, the first science satellite boosted into orbit in 1992.

The new satellite will carry out various scientific experiments in communications, broadcasting relay, space exploration and Earth surveys. "We've done our best to develop a truly Korean-made science satellite. Many, if not all, components used in the satellite were manufactured in Korea," Choe said.

Korea's first satellite Uribyol-1 was jointly designed by KAIST and Surrey University in Britain and was built by the British University at a total cost, provided by the Korean Government, of nearly 7 billion won. "We couldn't say that the first satellite was truly Korean-made since we closely cooperated with British scientists. But the second satellite Uribyol-2 is being built in Korea with expertise accumulated by Korean scientists," said Choe.

Korea has invested about 3.1 billion won in research and development of Uribyol-2. The project was jointly carried out by the Korea Aerospace Research Institute, the Systems Engineering Research Institute and the Korea Radio Research Laboratory, according to officials at SaTrec.

The fund for the satellite project was provided by the Science and Technology Ministry, the Communications Ministry and the Korea Science Foundation. Several Korean firms also provided technical assistance and some core components for the construction of the satellite.

SaTrec embarked on an innovative joint research program in 1991 with the University of Surrey to acquire

the necessary technology to build a scientific satellite on its own. "The successful development of the Korean-made satellites and their launch into orbit opens new horizons for the nation's aerospace sector," said Chon Song-sun, director of KAIST. In the meantime, the government intends to launch "Mugunghwa" a communications satellite equipped with 5,300 telephone circuits and three television relay channels, in June 1995.

Brunei, Malaysia & Singapore

Malaysia

Ministry Rejects U.S.-European Plan for Bosnia

*BK2905141893 Kuala Lumpur Radio Malaysia
Network in Malay 1300 GMT 29 May 93*

[Text] Malaysia has rejected the joint action program for Bosnia-Herzegovina initiated by the United States, Britain, France, and Russia. It says the plan is comparable to supporting the terrorists who drove out the Bosnian Muslims.

According to a Foreign Ministry statement, Malaysia cannot accept the program and the country strongly supports Bosnia in rejecting it. Malaysia supports Bosnia-Herzegovina in urging withdrawal of the UN peacekeeping force from the country to enable the Bosnian Muslims to act more freely against the Serbian militia.

Malaysia has urged the United Nations Security Council to lift its arms embargo imposed on Bosnia-Herzegovina so arms can be supplied to Bosnian Muslims to defend themselves from Serbian attacks.

The Western initiative has urged the establishment of a safe area for Bosnian Muslims and Washington has expressed the hope that the United Nations will approve the program to establish a safe area by the middle of next week. According to the statement, firm international action will be needed to protect Bosnian Muslims. Due to the failure of diplomatic efforts in trying to make the Serbians more considerate, military intervention is needed in accordance with Article 7 of the United Nations Charter.

Singapore

Figures on Size of External Economy Published

*BK2705105393 Singapore BUSINESS TIMES in
English 27 May 93 p 2*

[Text] THE Ministry of Trade and Industry [MTI] has published further figures measuring the size of Singapore's external economy.

In an article published with the 1st Quarter Economic Survey, MTI said that foreign operations of Singapore investors contributed 14.7 per cent to the country's total value-added last year, up from 7 per cent in 1966. Going by this measure, MTI said the size of Singapore's external economy compared favourably with the advanced countries.

For example, the comparative 1991 ratios in other countries are: 11 per cent for the UK, 8.4 per cent for the Netherlands, 8 per cent for Switzerland, 4.4 per cent for Germany and 4.2 per cent for Japan.

MTI's measure looks at the portion of the value-added of Singapore-based companies (including statutory boards and government-linked companies) and individual investors that is generated abroad. Value-added here takes into account both gross domestic product as well as factor income from abroad—comprising wages, investment income and income from intellectual property.

The MTI figures also show that if the investments of only Singapore citizens and permanent residents, or their companies, are considered, the proportion of indigenous total income derived from overseas operations was higher at 17.7 per cent last year. "However, this is not to say that we have arrived," MTI said in the article *Trends and Prospects of Singapore's External Economy*.

"As a small, open city-state Singapore should be expected to have greater external linkages than the European economies. For example, our trade-to-GDP ratio is highest in the world—290 per cent compared with 250 per cent in Hongkong but only 90-110 per cent in the most open European economies."

Apart from the contribution to value-added, the article also looked at the external economy using other measures: deployment of equity capital, assets-to-GNP ratio, and the number of companies set up abroad.

Several other measures were cited by the Committee to Promote Enterprise Overseas in its recently-released interim report. One measure the committee looked at was income from direct private overseas investments. The committee noted that this fell below 0.5 per cent of GNP for much of the 1980s and rose to only one per cent in 1990. The contribution is even smaller by the indigenous measure: investment income was only 0.5 per cent of GNP in 1990.

Unlike this indicator, the MTI measure takes into account the total factor income from abroad and uses value-added as the base for comparison. In its article, MTI cautioned that while quantitative measures were useful for tracking the broad trends, they cannot provide the full picture of Singapore's overseas economy.

The trend in deploying equity capital suggested that local companies have been less aggressive in venturing overseas than foreign firms based in Singapore. Department of Statistics figures, covering only the non-financial corporate sector, show that the proportion of equity capital deployed overseas rose from 14.8 per cent in 1980 to 22 per cent in 1990.

For wholly or majority-local owned companies, the deployment has been smaller: 19 per cent in 1990, up from 13.3 per cent in 1981.

The article also noted that "not all rapid growth of the external economy necessarily contributes strong spin-offs for the domestic economy". The economy gained when returns are repatriated, but profits that are "kept permanently overseas will only increase our nominal GNP". But it noted that there might still be gains to the

domestic economy if the investors keep some of their operations or headquarters in Singapore.

Cambodia

Reportage on Aftermath of Elections Continues

CPP's Sok An Holds News Conference

*BK0106065593 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
1 Jun 93*

[Communique on the news conference at the cabinet of the Cambodian People's Party—read by announcer]

[Text] Mr. Sok An, chief of the cabinet of the Cambodian People's Party [CPP] held a news conference at the CPP office at 1000 on 1 June. The conference was attended by a large number of local and foreign press members.

Mr. Sok An informed local and foreign journalists of the CPP statement issued on 31 May where it proposed to the UNTAC [UN Transitional Authority in Cambodia] leadership that they temporarily suspend the release of the results of the vote counting. Mr. Sok An explained that the call for the suspension has come from the growing number of irregularities discovered in the election and vote counting process since 23 May, so it cannot guarantee a correct and fair outcome of the elections.

He also pointed out six main irregularities and gave some examples of them in Phnom Penh, Battambang, and Kompong Chhnang. He went on to say that because of the growing number of these irregularities, the CPP can no longer accept the on-going electoral process though the results show that the CPP is leading in some regions.

On behalf of the CPP, Mr. Sok An earnestly proposed that the UNTAC leadership suspend the release of the election returns and to hold new elections in problematic polling regions such as Phnom Penh, Battambang, Kompong Chhnang, and Prey Veng.

Mr. Sok An answered in detail all the questions of local and foreign journalists about irregularities in the UNTAC-organized elections.

Sok An Hints Other Irregularities

*BK0106055093 Hong Kong AFP in English 0533 GMT
1 Jun 93*

[By Sheri Prasso]

[Excerpt] Phnom Penh, June 1 (AFP)—The Phnom Penh government threatened Tuesday to reject the results of the U.N. election unless the United Nations put on new polls in the capital and three provinces where it alleges "improprieties."

The U.N. Transitional Authority in Cambodia (UNTAC) immediately refused.

"If UNTAC says no, we also say no" to recognizing the result of the election, government deputy interior minister Sok An told reporters.

The government charged "increasingly serious and unacceptable irregularities"—including lost ballots, broken seals on ballot boxes, and Cambodian polling officers who tried to influence the vote—in a letter to UNTAC chief Yasushi Akashi.

Cambodian People's Party (CPP) President Chea Sim met Akashi late Monday and made the surprise request, government spokesmen said.

The demand for new elections came after results showed that the opposition FUNCINPEC [National United Front of an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party was winning in some of Cambodia's most electorally important provinces, particularly in Phnom Penh and Battambang, where the requests were made.

"This shows they are sore losers," said one U.N. official.

The other two provinces were Prey Veng and Kompong Chhnang, where the CPP was leading. Sok An hinted at irregularities in other provinces where the evidence had not yet been compiled. [passage omitted]

Akashi Says Results 'Valid'

*BK0106035893 Hong Kong AFP in English 0345 GMT
1 Jun 93*

[Text] Phnom Penh, June 1 (AFP)—The Phnom Penh government demanded Tuesday that the results of the U.N. election be thrown out in the capital and three provinces and that brand new elections be held, but the United Nations refused.

The surprise request came late Monday in a meeting between Cambodian People's Party (CPP) President Chea Sim and U.N. Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi. It came after results showed that the opposition FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party was winning in some of the most electorally important provinces, particularly in Phnom Penh and Battambang, where the new election requests were made.

The other two provinces were Prey Veng and Kompong Chhnang, where the CPP was leading.

"We don't want to contest the result, but we want to correct irregularities," said senior government advisor and deputy minister Khieu Kanharit, who himself did not win his seat in the new constituent assembly.

"What we want is justice and fairness in the election," he said. "We don't question the entire election, but what we are requesting is correction of the irregularities in a few provinces."

"There are a lot of irregularities in these four provinces," he said. "We ask UNTAC to reorganize the elections again."

UNTAC spokesman Eric Falt said new elections could not be organized without proof of large-scale irregularities. "The response of UNTAC is no," he said.

Akashi, joined by the U.S. Government and China, has already certified the voting as valid.

The government said it was appealing for calm among the police, military, and civilians and warned of insurrection. "We get many indications there might be some insurrection or riot," Khieu Kanharit said. "We fear the situation will get out of control. We are trying to do everything possible to prevent this situation."

Khieu Kanharit said a detailed list of improprieties would be available later from CPP headquarters, and criticized what he called "political bias" from UNTAC's information component, led by former senior U.S. Government official and diplomat Timothy Carney.

"Be careful of who will run the information component" in future U.N. missions, Khieu Kanharit said. He said UNTAC Radio manipulated public opinion against the government, and blocked government attempts to air its side in the days before the election.

UNTAC had ordered a "cooling off period" before the election, prohibiting campaigning by all parties. But Khieu Kanharit said Voice of America broadcasts in Khmer were allowed to sway public opinion during that period.

Officials Describe Irregularities

*BK0206124793 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
1 Jun 93*

[Text] His Excellency [H.E.] Sar Kheng, vice chairman of the Council of Ministers and minister of the interior, met with diplomatic representatives of 14 countries accredited to Cambodia at the cabinet of the Central Committee of the Cambodian People's Party [CPP] on the morning of 1 June. They discussed a number of issues concerning the recent elections. On behalf of the CPP and the faction of the State of Cambodia [SOC], he presented the diplomats with a report on a number of important issues concerning the outcome of the elections, held from 23 May.

[Begin Sar Kheng recording with sentence-by-sentence English translation] As you are aware, the counting of the ballots continued this morning very actively and is not yet over. But at this moment I wish to bring to Your Excellencies' attention the view and observation that the CPP has about the holding of the elections in general. The CPP's earnest desire is to have an election that is free and fair, which is the best way to bring about peace, national reconciliation, and genuine democracy in Cambodia. It is on this fundamental condition that the CPP

put forward a number of necessary requests concerning procedure and the manner of the balloting. Of these requests there was one that H.E. Hun Sen had already made to the ambassadors of the core group countries at the prime minister's office. We proposed that we be allowed to thoroughly inspect the ballot boxes during the balloting, the transportation, and the counting periods. Another of our proposals was that paper tape or wax seals be used on the boxes to ensure the integrity of their contents.

So, our requests were aimed not only at serving the interest of UNTAC [UN Transitional Authority in Cambodia], but they were made so that each and all political parties could accept the election results. Up to 21 May there seemed to be a general consensus as Mr. Akashi informed us that he would allow the agents of each party to monitor the ballot boxes from the time they were closed to the time they were transported for safe-keeping in the storage areas and also to inspect the depots where the ballot boxes are stored. All the instructions given by UNTAC conformed with the agreement between the two sides. But at the local levels of UNTAC the instructions have not been complied with in accordance with these principles.

So, we have noticed cases of irregularities and we have reported them to UNTAC. As recognized in the statement made by H.E. Hun Sen during the SNC [Supreme National Council] meeting on 29 May, generally speaking the elections proceeded well and there were no problems. But, technically speaking, we have noticed some irregularities. One flagrant example of the irregularities was the state of the seals and locks, many of which were found to be broken. So far, we have observed, hundreds of ballot boxes had broken locks and seals. The excuse was that these seals and locks were broken due to rough riding on difficult roads in remote areas. But in Phnom Penh, where there are no such communications problems, the seals and locks of many boxes were still found to be broken.

In the ballot counting process over the past few days, we have also observed a number of abnormalities, as follows:

Irregularities were observed in Battambang Province, where there were cases in which the ballot boxes were losing their contents. This phenomenon was also noted in Phnom Penh. In Kompong Chhnang Province there were cases in which ballot boxes were dropped. And in a number of other provinces, such as Kompong Cham and Siem Reap, we continue our investigation. In Prey Veng Province there were also cases of irregularities because some ballot papers were thrown about on the road from the polling stations to the depot.

These are our observations and we have made a request to Mr. Akashi in our meeting last night, asking him to put up new elections in areas where these irregularities took place. Our request was to ensure peace, national reconciliation, and genuine democracy although in some

of these provinces the CPP is found to be leading, as in Prey Veng and Kompong Chhnang.

In taking such a stance it does not mean that we are not going to recognize the results of the elections. But since we have evidence of the shortcomings or the misdemeanors of some low-ranking UNTAC workers at the local level as well as some voters themselves, we request that UNTAC reorganize the elections in these places.

[Passage indistinct] Svay Rieng Province has five seats, that is, three times less than Kompong Cham Province. But the ballot counting in Svay Rieng has not even started. [indistinct passage on people grabbing public land]

We have observed irregularities both before and during the elections and during the ballot counting. So, we are only trying to defend the integrity of the elections. We are doing it now not after the counting. We do not wait until we see that we are losing before we protest. All we are doing is trying to protect the integrity of the results. [passage indistinct] [end Sar Kheng recording]

Mr. Chem Snguon [chairman of the SOC National Assembly's Legislative Commission] then gave additional information as follows:

[Begin Chem Snguon recording with sentence-by-sentence English translation] Excellencies, ladies, and gentlemen:

I would like to add more details to what H.E. Sar Kheng has already told you.

The CPP was worried even before the election days about the integrity of the ballot boxes. This is because [passage indistinct]. After the balloting of the day was over the ballot boxes were placed in a secret shelter and they were taken out the next day for balloting, and this process was repeated for four days. H.E. Sar Kheng has already informed you that we had asked Mr. Akashi that the parties be allowed to tape identification papers on the ballot boxes before they were stored in safe places. We made that request both verbally and in writing. But we did not succeed because Mr. Akashi had invited Chairman Hun Sen and a number of CPP officials to discuss that matter. After being shown the ballot boxes and the way they would be locked up, the CPP delegation was convinced of the trustworthiness of the locks, that is, of the plastic seals and padlocks. This is because the lid of a ballot box is not a hinged type cover but a sliding one. So, it would be kept closed with padlocks and held firmly in place by plastic seals. We tried to break the plastic seals with our hands and could not break them. We thus trusted their sturdiness. However, we discussed the procedure step by step as follows:

1. At the end of each voting day, the boxes would be locked with padlocks and bound up with plastic seals. The serial numbers of the padlocks and plastic seals would be noted in a report signed and kept by the UNTAC military personnel guarding the boxes. On the

morning of the second voting day, the boxes would be brought back to the polling stations and both UNTAC and the representatives of the political parties would check out the numbers on the padlocks and plastic seals.

2. During transportation of the ballot boxes to safe places, all party representatives were entitled to follow the cars to the depots. Before storing the boxes in the depots, these party representatives could inspect the depots first. After all the boxes were stored, the doors would be locked and guards placed in front of them. Then the representatives of the parties would be asked to get out of the barracks and allowed to observe from a distance. In cases where these ballot boxes were transported by plane from the polling stations to the depots, the representatives of the parties might inspect them before they were loaded onto the plane. And we agreed that after the plane had landed, if no party representatives were waiting on the ground for inspection, no one should unload the ballot boxes from the plane.

Now, you can see that, based on these agreements, we have sufficient reason to complain. So, after the first day of balloting, we were both surprised and horrified to learn that a number of ballot boxes had their plastic seals broken. A number of boxes even had their metal padlocks broken.

When this problem occurred, the city of Phnom Penh was the first to lodge the complaint. And we heard that UNTAC military personnel guarding the depot did not allow the CPP representative to inspect it. He protested that treatment until 2200 at night when an UNTAC civilian electoral officer led our representative to the depot and asked the guards to open the door and allow him to make an inspection.

In that inspection, as I recall, a total of 20 boxes were found to have broken locks and 13 others to have broken plastic seals on them.

We would like to tell you that if the plastic seals are broken the lids of the ballot boxes can then be moved a fraction to allow ballot papers to be dropped inside.

So, the representative of the CPP discussed the controversy with the UNTAC officer and asked him to make a report. In Phnom Penh, there was no problem about that as the UNTAC officer agreed to write a report on the problem. However, I would like to inform you that in a number of provinces where incidents of broken locks took place, we had difficulties as we could not inspect the depots because we were not allowed to get inside, despite the fact that the higher authorities had given instructions to the contrary, and on the second day following our complaint General Sanderson had assured us that he would order his soldiers to allow us to inspect the depots. The lower levels of UNTAC did not follow the order and in a number of provinces we were not allowed to inspect the depots at all. In many provinces the ballot boxes either had their plastic seals broken or they had both plastic seals and padlocks broken. Our CPP representatives asked UNTAC representatives to write and cosign

a certified report, but they refused. I would like to tell you that in Takeo Province alone 50 ballot boxes had their seals and locks broken, including 13 with their metal padlocks broken.

As you know, in each election, if there are so many ballot boxes with broken seals and padlocks like this, the contents cannot be evaluated. Nevertheless, the CPP is always cooperative and always displays readiness to cooperate so that this election can become a success. However, the CPP deeply regrets, as I have informed you, that after irregularities were discovered UNTAC still refused to make an official statement or cosign a certified report with us. There were many cases in which the ballot boxes were taken to the polling stations the following day with padlocks and plastic seals bearing new numbers. When we asked why the numbers were not the same, they told us that the seals were broken and the boxes had to be resealed. In a number of provinces, representatives of the CPP demanded that the broken boxes be put aside and new boxes brought in for balloting.

I would like to cite one case that H.E. Sar Kheng has just talked about, that is, the case in Prey Veng. The CPP learned from its representative in Prey Veng that an UNTAC car was transporting ballot boxes to the depot and midway to its destination a number of ballot papers were seen falling from that car. We wrote to UNTAC, asking it to look into this case because, after the car had taken the boxes to the depot, the CPP representative requested that an official statement be drawn up. This was for the purpose of seeing from which box those ballot papers had come from so that we could write and cosign a certified report on that incident. The district UNTAC officer refused to look into it. He only told us that the ballot boxes would be sent to Phnom Penh that night. The CPP wrote a report on that to Mr. Akashi and Mr. Austin. We received a reply saying that only two ballot papers fell from the car. The UNTAC officer who transported the ballot boxes, picked the two ballot papers up and put them into a bag. When he arrived at the depot, he wrote a report with signatures and witnesses.

We wrote another letter saying that we have many witnesses and the declarations of these witnesses are certified. The ballot papers dropped from the car four times. First, they dropped at Changruk. A few miles after that another ballot paper fell. And a distance after that more papers fell. In these three incidents of falling papers a total of 12 to 15 ballot papers dropped from the car. Another short distance away again more papers dropped for the fourth time. The people who followed the car on motorbikes and the local people who picked up the ballot papers saw that all these ballot papers had been cast for the CPP. We made a photocopy of a ballot paper of many other ballot papers handed to us by the local people and sent it to Akashi. This was because he told us in his letter that there were only two ballot papers and the two ballot papers had already been returned to the

ballot boxes. This is also because we wanted to prove that it was not true and that there were a lot of them and we had some in our hands.

First, we wondered how the ballots could fall from the car when its rear compartment used to transport the ballot boxes was tightly shut.

Second, in the letter it was said that once the car reached the depot, the ballot box was sealed, locked, and signed again in front of witnesses. But in reality, the CPP representative was not present and could not sign it. I am not going to pursue this matter any further.

Now I would like to tell you of the things that happened in Phnom Penh. Yesterday, we received a report saying that after the ballots were counted out it was found that the number of ballots was larger than the number of the voters who had cast their ballots. This is the UNTAC's list of voters who had cast their votes in Phnom Penh. There are a total of 360,734 regular voters and 45,424 tendered voters. We do not include these tendered voters in our counts. We are counting only the regular voters and this is the number of the ballots already counted: 360,610. So we can see that there is a disparity as there are here 3,876 [as heard] ballots more than the number of voters.

In Battambang there are two cases; however, we have not yet received the total results as in Phnom Penh. In the first case, the number of votes that have already been counted is 1,973 less than the number of voters. In the second case, the votes already counted surpass the number of voters by 147. So, we do not understand why there is such a disparity. We can make some sort of assumption; we can draw a parallel between the observed excess or deficiency of ballot papers and the ballot boxes with broken seals and padlocks that we were not allowed to inspect in the depots.

In Kompong Chhnang Province yesterday we received information that an UNTAC officer went into the storage area in the company of a Cambodian interpreter and forced open one of the ballot boxes. When our representative protested, he said he had made a mistake. I have raised this just to inform you. I still have no details as we are still proceeding with the complaint.

I would like to draw your attention here to the fact that a number of Cambodian officers recruited locally by UNTAC to man the polling stations in most of the provinces assisted the other parties. In some provinces after complaints were lodged by CPP representatives, UNTAC fired them. But in some other places, UNTAC refused to fire them and let them work in the elections.

We would like to inform you that the so-called indelible ink can be washed out. One of our men tried it. After washing his hands with soap, he went to vote, returned to wash his hands, and went out to vote again and again. He could thus vote two or even three times at different stations. He told the officers at the stations that he had lost his card and asked to cast tendered ballots. We

ordered this to be done because we had the impression that there were too many tendered ballots, amounting to 7-10 percent of the votes.

These are only the main points that we would like to inform you of concerning the cases that happened, many of which can be qualified as attempted cheatings. I would like to add that the CPP wrote one letter after another to inform UNTAC of the irregularities almost on a daily basis. As H.E. Sar Kheng has just informed you, in the statement of Mr. Hun Sen during the 29 May SNC meeting there was mention of the CPP's attitude of reserve. At that time the CPP was only worried, but a few days later when there were more reasons for it to protest, the CPP deemed it necessary to make the proposal as H.E. Sar Kheng has just told you. [end Chem Snguon recording]

This meeting proceeded in a very friendly and cordial spirit.

Government Appeals for Calm

*BK0106135293 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
1 Jun 93*

["Communique by the Government of the State of Cambodia;" date not given—read by announcer]

[Text] Over the past few days while vote counting has still been in progress, the general situation has been normal. However, a number of not-so-good events have affected people's minds and public order. Therefore the Government of the State of Cambodia [SOC] would like to make the following clarification to citizens:

Whatever the election result, all levels of the existing state authority continue to carry out the role of a rightful administration during the transitional period in accordance with the spirit of the Paris agreement. Therefore, all existing laws are to be firmly implemented to ensure safety and social order.

Concerning the situation of vote counting in which a number of irregularities has emerged, the Cambodian People's Party [CPP] and the SOC are striving to solve them legally. Therefore, compatriots should firmly trust the CPP and the SOC Government, who have stayed with citizens all the time and in all circumstances. Compatriots in general, including (?all types of) armed forces, are called on to stay put and remain calm.

Hun Sen Letter on Irregularities

*BK0206045993 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
1 Jun 93*

["Letter from His Excellency Hun Sen, vice chairman of the Cambodian People's Party, to His Excellency Butrus Butrus-Ghali, secretary general of the United Nations"; dated 1 June—read by announcer]

[Text] Your Excellency: I am honored to enclose herewith copies of all the letters we have sent, until lately, to His Excellency [H.E.] Yasushi Akashi informing him of the irregularities and cheating during the elections and in unpacking the ballot papers.

I would like to reaffirm to your excellency that the unswerving stand of the Cambodian People's Party [CPP] and the Cambodian Government is to have a really free and correct election and to honor the result of that election. Since the start of the electoral process, however, the promise made in Phnom Penh by the UN Transitional Authority in Cambodia [UNTAC] in response to our requests and the attitude of the UNTAC authorities in the provinces appear to be in contrast.

Not only have these irregularities not been corrected in the provinces and in Phnom Penh City, but there has been clear proof of the contradiction between the number of ballots and the final list of registered voters. This can be surmised as cheating stemming from the irregularities that we mentioned earlier.

In such conditions, we cannot accept the result of the irregularities in some provinces and cities—such as Battambang, Kompong Chhnang, Prey Veng, Kompong Cham, and Phnom Penh City—unless a reelection, with appropriate measures to ensure its irrefutable validity, is held in those provinces and cities and eventually in all other provinces in case new irregularities are discovered.

Please, Your Excellency, accept my sincere regards.

[Dated] Phnom Penh, 1 June 1993

[Signed] Hun Sen, vice chairman of the CPP

Kompong Cham Chairman Rejects Results

*BK0206071793 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
1 Jun 93*

["Message" from the Chairman of the Kompong Cham Province Party Committee to the Chief Electoral Officer of UNTAC in Kompong Cham Province; date not given—read by announcer]

[Text] Subject: Protest note rejecting the election results in the entire Kompong Cham Province

I would like to inform you that after closely following events and after receiving reports of our agents from all polling stations and vote counting centers, UNTAC [UN Transitional Authority in Cambodia] officials conducting vote counting have not abided by the electoral laws and the directives of their superiors, particularly of His Excellency Reginald Austin. This has caused the following irregularities:

1. Agents of the Cambodian People's Party [CPP] were not allowed to inspect safety garrisons upon the arrival and departure of ballot boxes despite the requests of CPP agents. On 26 May, there was a message from Mr. (Suez

Noel) inviting our agents to conduct an inspection; padlocks were broken. See enclosed list.

On the following days, our agents were refused entry.

2. In the transport of ballot boxes to the provincial vote counting center, as well as the transport of tendered ballot boxes to Phnom Penh, the CPP agents were not allowed or given notice to take part in the inspection.

3. During the vote counting process, we did not receive information on the number of ballots in each box to be counted. UNTAC officials conducting vote counting did not show reports and the number of the padlock of the ballot box whose padlock had been broken and ballots taken out for counting. Officials kept on counting the ballots, preventing us from checking the number of ballots inside the box against the report with listed ballots despite the request of CPP agents.

4. Ballots in boxes still with padlocks on and ballots from boxes with padlocks broken were mixed together; ballots from between 200 and 300 boxes were counted at a time.

5. A number of UNTAC electoral personnel recruited in Cambodia were not neutral. For example, the cases at the polling station in (Troeun) commune, Kompong Siem District, and the Prek Pou station in Srei Santhor District.

The above irregularities caused extensive ballot fraud rendering this election improper and unjust. Therefore, we reject the election result in the entire constituency of Kompong Cham Province and demand reelection in the constituency. We have decided to withdraw the CPP agents following vote counting as of now.

Chief electoral officer, please accept my high consideration.

[Signed] Hun Neng, chairman of the Kompong Cham Province's Party Committee

FUNCINPEC 7 Points Ahead 2 Jun

*BK0206072893 Hong Kong AFP in English 0709 GMT
2 Jun 93*

[Text] PHNOM PENH, June 2 (AFP)—The royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] party widened its lead over the government's Cambodian People's Party (CPP) by seven percentage points Wednesday, with 80 percent of the vote tallied in the U.N. election for a legitimate government in Cambodia.

Nationwide, the FUNCINPEC party founded by Prince Norodom Sihanouk garnered 45 percent of the vote, while CPP had 38 percent, U.N. Transitional Authority in Cambodia (UNTAC) figures showed. But because Cambodia's election is by proportional representation, winners at the provincial level collect the seats in the new 120-member constituent assembly.

The new results gave FUNCINPEC the majority in Siem Reap, Kompong Cham, Kandal and Battambang Provinces. Together they constitute 43 seats, or more than a third of the new legislature.

In Kompong Cham, with 75 percent of the vote counted, FUNCINPEC had 54 percent to CPP's 31 percent. If the trend continued, FUNCINPEC would likely win 10 seats from the province, compared to CPP's six.

CPP added Kompong Cham to its list of provinces where it disputed the results, and was demanding new elections for 53 seats due to what it called "irregularities" in the voting and the counting of the ballots.

U.N. spokesman Eric Falt said a detailed list of what UNTAC considered irregularities would be available late Wednesday. "We are confident the CPP will be satisfied by our answer and they will accept the election results if the whole process is determined to be free and fair," he said.

CPP had withdrawn its party agents, who are sent by the party to watch the counting, from vote counting centers in Kandal, Battambang and Kompong Cham provinces, Falt said.

The CPP won the majority in central Kompong Thom Province—44 percent to 34 percent—and was likely to be allocated three of the six seats, with the remainder going two to FUNCINPEC and one to the Buddhist Liberal Democratic Party (BLDP) of former Prime Minister Son Sann.

CPP was also leading in Prey Veng, the home of hardline leaders such as CPP President Chea Sim, who ran instead from Phnom Penh. CPP was ahead 48 percent to 37 percent with almost 90 percent of the votes counted for 11 seats, Falt said.

In Takeo, which has eight seats and a quarter of the votes counted so far, the CPP had 48 percent of the vote compared to FUNCINPEC's 33 percent.

CPP had already captured the one seat each from the northern provinces of Preah Vihear, Stung Treng, Ratanakiri and Mondulkiri, plus the southeastern province of Koh Kong.

FUNCINPEC won the capital, likely capturing seven seats to the CPP's four, as well as the one seat from southern Sihanoukville.

Final counts from Kompong Chhnang split the vote 51 percent CPP and 31 percent FUNCINPEC, but the two were likely to evenly divide the four provincial seats.

Northeastern Kratie was likely to be divided with two seats for FUNCINPEC and one for CPP, and the two parties also evenly divide the 10 seats from Pursat and Kampot Provinces.

In the northwest, FUNCINPEC won the majority in Banteay Meanchey, 45 percent to the CPP's 28 percent.

The six seats were likely to be allocated three for FUNCINPEC, two for CPP and one for BLDP.

Battambang—where CPP disputed the totals—followed the same trend. FUNCINPEC was leading the CPP 46 percent to 31 percent with 80 percent of the vote counted.

Further on Prospects, Allegations

*BK0206094693 Hong Kong AFP in English 0917 GMT
2 Jun 93*

[By Sheri Prasso]

[Text] Phnom Penh, June 2 (AFP)—The royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, taking a seven percentage point lead over the government Cambodian People's Party (CPP) on Wednesday, accused the CPP of trying to blackmail the world by threatening to reject the results.

With 80 percent of the votes tallied, or 3.09 million of 4.24 million cast in the UN-run general election, FUNCINPEC was leading with 45 percent to the CPP's 38 percent.

The CPP has alleged "irregularities" in the voting and ballot counting and demanded new elections for 53 seats in the 120-member constituent assembly, to be held in the capital and in four provinces.

Government spokesman Khieu Kanharit said CPP officials were discussing the impropriety charges with the United Nations Transitional Authority in Cambodia (UNTAC), and would decide whether to carry out a threat to reject the results of the May 23-28 election if new elections were not organized.

UNTAC was also compiling a list of the alleged irregularities, UN spokesman Eric Falt said. "We are confident the CPP will be satisfied by our answer and they will unequivocally accept the election results if the whole process is determined to be free and fair," Falt said.

UNTAC chief Yasushi Akashi has declared the voting free and fair, but votes are still being counted in seven provinces. Final election results are to be announced later this week.

At FUNCINPEC headquarters in Phnom Penh, Prince Norodom Sirivut—the half brother of Cambodian leader Prince Norodom Sihanouk—said the government was being a sore loser.

"The international community cannot accept this kind of blackmail," he said.

"The results came as a big shock to the Phnom Penh Government, which is not prepared to accept defeat."

Prince Sihanouk, who founded the FUNCINPEC party but later gave the organization to his son Prince Norodom Ranariddh, was being considered as prime

minister of a coalition government, sources in both FUNCINPEC and CPP said. He would take Phnom Penh Prime Minister Hun Sen and Prince Ranariddh as his deputy premiers, the sources said.

FUNCINPEC was emerging slightly ahead in the race, with a majority claim on a combined 61 seats in Phnom Penh, Siem Reap, Kompong Cham, Banteay Meanchey, Kandal and Battambang provinces.

The government was leading in the race for the other 59 seats, with the exception of a handful of provinces where the vote would evenly divide the seats.

In the most electorally important province of Kompong Cham, birthplace of Phnom Penh Government Prime Minister Hun Sen, FUNCINPEC was leading 54 percent to CPP's 31 percent for 18 seats.

Some smaller parties were likely to claim a seat in Kompong Cham as well.

The government added Kompong Cham to its list of demands for new polls Wednesday, reading a letter on state-run radio from Governor Hun Nheng, brother of the premier. In the letter, the government alleged that its party agents were not informed of all UNTAC vote-counting activities.

"Some UNTAC personnel who were selected in Cambodia have no neutrality," the letter claimed, adding it had withdrawn its party agents in protest.

CPP party agents were also withdrawn in Kandal and Battambang Provinces, Falt said.

The CPP won the majority in central Kompong Thom Province—44 percent to 34 percent—and was likely to be allocated three of the six seats, with two seats going to FUNCINPEC and one to the Buddhist Liberal Democratic Party (BLDP) of former prime minister Son Sann.

CPP was also leading in Prey Veng, ahead 48 percent to FUNCINPEC's 37 percent with almost 90 percent of the votes counted for 11 seats, Falt said.

'Likely' Vice-Premiers Suggested

*BK0206100393 Hong Kong AFP in English 0926 GMT
2 Jun 93*

[Text] Phnom Penh, June 2 (AFP)—Cambodia's senior statesman, Prince Norodom Sihanouk, is being considered for the post of premier in the wake of elections in which the opposition has taken a clear lead in votes counted so far, a senior Phnom Penh government spokesman said Wednesday.

Khieu Kanharit, whose government has threatened to reject the results of U.N.-organised polls because of alleged "irregularities," told AFP that, in such a scenario, two vice premiers would be appointed under the prince.

One would come from the main opposition party, the royalist FUNCINPEC, the other from the government's party, the Cambodian People's Party (CPP).

A top FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] official, Prince Norodom Sirivut, confirmed that Sihanouk was under consideration for considered as prime minister. But Sirivut, Sihanouk's half brother, declined to discuss the vice premiership issue.

In earlier remarks, Sirivut had charged the Phnom Penh government, which is in control of the military and the police, with "blackmail" because of its threat to reject the polls, in which FUNCINPEC holds a seven percent lead with 80 percent of the ballots counted.

Sirivut, however, also stressed that FUNCINPEC, which is led by Sihanouk's son, Prince Norodom Ranariddh, would prove "flexible" in the lay-out of a new government, thus suggesting it would accept the inclusion of representatives of the present government.

Tuesday, the 70-year-old Sihanouk, who has long been seen both internationally and at home as the key to a lasting solution in Cambodia, called for a meeting as soon as possible between himself, Ranariddh and CPP strongman Chea Sim.

If a coalition government were formed under Sihanouk, Ranariddh would likely become one of the vice premiers and the premier of the current government, Hun Sen, the other, political sources said. But no comment was immediately available from either Ranariddh or Hun Sen.

Ranariddh, who is currently in a northern Cambodian stronghold controlled by guerrillas loyal to FUNCINPEC, was expected here by the week-end, according to officials from his party.

Sirivut Accuses CPP of Blackmail

*BK0206062093 Hong Kong AFP in English 0602 GMT
2 Jun 93*

[Text] PHNOM PENH, June 2 (AFP)—Cambodia's opposition royalist party, which is leading in votes so far counted in the country's U.N.-organised election, accused the Phnom Penh government of "blackmail" following its threat to reject the results of the polls.

One of its top officials said FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] would prove "flexible" in the lay-out of a new government, suggesting that it would accept the inclusion of representatives of the present government.

But the official, Prince Norodom Sirivut, a brother of Cambodia's "de facto" head of state, Prince Norodom Sihanouk, said it was "too early to talk about a coalition. We like to talk about national reconciliation," said Prince Sirivut.

"I hope that FUNCINPEC will emerge as winners and, as winners, we must be flexible" in setting up the new government, said Prince Sirivut.

Commenting on the Phnom Penh government's Cambodian People's Party (CPP) demand that the polls be cancelled for alleged "irregularities" in Phnom Penh and four provinces, he said: "The international community cannot accept this kind of blackmail. The international community, the U.N. Transitional Authority in Cambodia, the Cambodian people cannot accept a return to the old situation after the election," Prince Sirivut added.

In votes counted so far for 80 percent of voters nationwide FUNCINPEC holds a seven percent lead over the CPP, according to figures released by the United Nations.

FUNCINPEC is leading with over 1,453,000 votes or 45.4 percent against the CPP's 38.4 percent accounting for 1,227,000 votes.

Son Sann Urges Increased Powers for Sihanouk

*BK3105084293 Hong Kong AFP in English 0755 GMT
31 May 93*

[Text] Bangkok, May 31 (AFP)—A Cambodian opposition leader has repeated a call for Prince Norodom Sihanouk to be invested with executive powers to head off more conflict and achieve reconciliation among Cambodia's rival factions. Son Sann, a former prime minister and leader of the non-communist Khmer Peoples National Liberation Front (KPNLF), said in a statement released here Monday that Sihanouk was "the only Cambodian personality capable to realize national reconciliation."

The prince is currently the neutral head of Cambodia's Supreme National Council (SNC), the country's interim reconciliation body. "But (Prince Sihanouk) has no executive powers necessary to a chief of state in time of crisis," Son Sann added.

Son Sann said he was insistent that the head of the UN peacekeeping operation in Cambodia as well as the Cambodian parties "offer (Prince Sihanouk) without further delay all the necessary powers and means for (him) to help us realise as soon as possible this national reconciliation ardently desired by the Cambodian people."

Son Sann leads the Buddhist Liberal Democratic Party (BDLP) which, according to early election results, was running a poor third after last week's United Nations-supervised polls.

In his statement Son Sann identified what he described as "important deficiencies" in the implementation of the Paris peace accords which the rival factions signed in late 1991, officially ending the Cambodian war. Among

the "deficiencies" was the failure of the UN to supervise the withdrawal of Vietnamese forces from Cambodia, he said.

"On the contrary, the number of the former (Vietnamese soldiers) increase regularly with their managerial staff," he said, echoing a long-standing allegation by the hard-line Khmer Rouge faction, which is flatly denied by Hanoi.

Sihanouk Invites Ranariddh, Chea Sim to Meeting

*BK0206045693 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
1 Jun 93*

[Unofficial fax message in French from His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, to Prince Norodom Ranariddh, chairman of the FUNCINPEC Party; dated 1 June"—read by announcer in Cambodian]

[Text] Dear Son: In relation to the grave danger that our people, nation, and country might encounter in the coming days and weeks, I would like to invite the chairmen of the two major parties, which are clear winners in the elections of our people, that is your highness who is the chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, and His Excellency Chea Sim, chairman of the Cambodian People's Party and the State of Cambodia, to lunch with me as soon as possible. This is so that we can discuss the problem which is vital to the survival of Cambodia and try to resolve it with the lofty spirit of patriotism, mutual favor, and fraternity, and in absolute faith to our people, nation, and motherland.

I would like to extend my commendation to your highness for your lofty wisdom and pure spirit of patriotism.

With high regards and profound affection.

[Dated] Phnom Penh, 1 June 1993

[Signed] Norodom Sihanouk

Hun Sen Meets U.S. Senator McCain 30 May

*BK3005145393 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
30 May 93*

[Text] His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party [CPP] and chairman of the Council of Ministers of the State of Cambodia [SOC], granted a warm audience to Senator John McCain of the Republican Party from Arizona in the United States at the office of the Council of Ministers on the morning of 30 May. Senator John McCain profoundly thanked H.E. Hun Sen for the SOC Government's effective cooperation with the MIA team in Cambodia and pointed out that this visit to Cambodia

was aimed at becoming acquainted with some issues concerning the provision of aid to Cambodia in the current period.

The U.S. senator added that the successful political settlement of the Cambodian problem that resulted in conditions conducive to the current elections was an achievement of H.E. Hun Sen since he has been effectively promoting this process. The senator expressed his hope that H.E. Hun Sen would visit the United States again as a prime minister.

For his part, H.E. Hun Sen briefed his guest about the situation in Cambodia, especially the current legislative elections and the supply of essential aid to Cambodia during the transitional period. His excellency pointed out that regardless of whether the CPP wins or loses in the balloting, he is of the view that the democratic process should effectively proceed so as to strengthen the new government.

Chea Sim, U.S. Senator McCain Discuss Election

*BK3105084893 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
30 May 93*

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP], of the State of Cambodia [SOC] National Assembly, and of the Kampuchean United Front for National Construction and Defense, permitted Mr. John McCain, head of a U.S. senatorial delegation from the Republican Party, to pay him a courtesy call and hold talks with him at the office of the CPP Central Committee on the morning of 30 May.

On that occasion, H.E. Chea Sim most warmly welcomed the visit paid to Cambodia by Mr. John McCain and his colleagues, saying that it shows the great interest generated by the electoral process in Cambodia. He went on to say that the election that has just taken place shows the fervent desire of the Cambodian people to have genuine peace for their motherland and constitutes an unprecedented historic milestone in democracy. H.E. Chea Sim also expressed great appreciation for the efforts of UNTAC [UN Transitional Authority in Cambodia] and the big-five nations, including the United States, to help Cambodia achieve peace for the Cambodian people, end the war, and bring about genuine peace. The SOC Government respects pluralistic rights and will do everything possible to improve contacts and cooperation with other countries in the world, including the United States.

Speaking on that occasion, Senator John McCain expressed delight at being able to visit Cambodia at a time when the Cambodian people were busy holding the election for a new Constituent Assembly. Although the Khmer Rouge faction attempted to sabotage the election, the electoral process turned out to be a brilliant success. Mr. John McCain highly valued the CPP's efforts contributing to the success of the election.

Indonesia

Jakarta 'Ready To Continue' E. Timor Dialogue

BK2705115893 Jakarta ANTARA in English 1050 GMT 27 May 93

[Text] Strasbourg, France, May 27 (ANTARA)—Indonesian Ambassador at Large Francisco Xavier Lopez da Cruz said before the European Parliament that the Indonesian Government has never rejected dialogues on East Timor issues with Portugal.

"We are always ready to continue such dialogues held under the United Nations supervision to reach maximum results," Lopez da Cruz told the European Parliament Indonesia Friendship Association (EPIFA) here Tuesday [25 May].

Lopez da Cruz, speaking in Portuguese, has asked the UN and Portugal not to question the East Timorese's decision to be part of Indonesia in 1976 "because their choice to integrate into Indonesia was their own decision to free from the 450-year Portuguese colonialism."

"The integration is a 'consumatum est' [as received] reality, which means freedom and liberation for the East Timorese is an unvarnished truth," he said. He also said that the East Timorese had sought integration into Indonesia with blood, sweat, and tears and sacrifices especially during the revolutionary time of driving out the Portuguese colonialists from the region.

"Therefore, I'm stressing that the East Timorese will strongly oppose any actions seeking to try to separate them from their Indonesian brothers," he added.

The ambassador recalled the Portuguese irresponsible action of leaving East Timor in a severe civil war in 1975. While the East Timor has reached a progress after 18 years of integration, Portugal still brings up subjects of self-determination, decolonisation, and human rights issues, he said. Lopez da Cruz called on the European states and others not to be easily influenced by the Portuguese's agitation, which is not aimed at the East Timorese but their interests.

He also expressed his disappointment over the Portuguese's acts in provoking the international opinion against the integration. The ambassador at large said that Portugal could not be recognised as the administering power in the East Timor since it has failed to do it in the region. Lopez da Cruz underlined that the East Timorese welcomed the Portuguese who would come as tourists, entrepreneurs, investors, priests, journalists, or students.

"They will feel as if they are in their homeland because there are still many East Timorese who still speak in Portuguese. But colonialism has ended since 17 years ago and East Timor's integration with Indonesia cannot be questioned any longer," he stated.

Alatas: Peacekeepers To Remain in Cambodia

BK2705153693 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 27 May 93

[Text] Indonesia will not withdraw its peacekeepers from Cambodia despite attacks unless the United Nations Transitional Authority in Cambodia [UNTAC] adopts such a policy. Foreign Minister Ali Alatas told newsmen in Jakarta this afternoon that Indonesia in principle will not withdraw its troops from that country unless UNTAC adopts such a policy.

According to UNTAC spokesman Eric Falt in Phnom Penh yesterday, a convoy of Garuda XII-B peacekeepers, consisting of a mine-resistant vehicle and two armored vehicles, was attacked by a group of armed men using mortars and [words indistinct]. However, no Indonesian soldiers were harmed during the attack.

Government Applauds Cambodian Election

BK3105154493 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 31 May 93

[Text] The Indonesian Government has welcomed the holding of the general election in Cambodia and urged all political forces in Cambodia to honor the election results. According to a press release issued by the Department of Foreign Affairs in Jakarta, the general election in Cambodia was successfully organized in a safe and orderly atmosphere and as scheduled. The department says over four million Cambodians cast their ballots. This demonstrated the Cambodian people's resolve to determine their future through a free and fair general election and give their representatives the mandate to draft a constitution and establish a new government.

Alatas Urges Cambodians To Accept Poll Results

BK0206050293 Hong Kong AFP in English 0420 GMT 2 Jun 93

[Text] JAKARTA, June 2 (AFP)—Indonesian Foreign Minister Ali Alatas Wednesday called on all sides in Cambodia to accept the results of elections last week and deplored the Phnom Penh government's protests of the polls as a worrying development.

"The protest is quite a worrying development ... Once again I call on all participants to the elections to accept whatever the results are for the sake of fulfilling the wishes of the Cambodian people," Alatas said.

Alatas, who was key in the peace process that brought the elections, told journalists he was confident that the U.N. Transitional Authority in Cambodia (UNTAC), which held the elections, "will be able to overcome this new complication."

Phnom Penh Tuesday threatened to reject the results of the Cambodian election unless the United Nations put on new polls in the capital and three provinces where it alleges "improprieties."

The demand was rejected by the UNTAC.

Philippines

Japanese Said Hesitant To Invest Due to Power Shortages

HK0106124593 Manila PHILIPPINE DAILY
INQUIRER in English 1 Jun 93 pp 1, 5

[Report by Genevieve I. Soledad]

[Text] Japanese investors will follow through on their initial show of interest in the Philippines only when the country has achieved some stability in its power supply. Domingo L. Siazon, Jr., the Philippines' ambassador to Tokyo, told reporters yesterday that Japanese investors are still adopting a wait-and-see attitude.

"They have made business plans to invest but they are waiting for the power problem to be resolved," said Mr. Siazon. "Kasi kung mag-invest kanga naman kung wala namang kuryente, papaano tatakbo lyong planta" [Even if they are interested in investing the country, it would be futile because the factories will not be productive unless there is electricity], the official pointed out.

Mr. Siazon said Japanese firms will probably start sinking in investments only by April next year, when the power situation is expected to normalize. "I think that by April next year, this situation could be much better," said Mr. Siazon.

He, however, stressed that Japanese investors are just waiting in the sidelines and are sure to make good on their promise of investments. "The decision is taken. It's just that they have to time it with a stable power supply. At least in Japan, once they make a decision, they just wait for the timing of actual construction," said Mr. Siazon.

The envoy did not cite specific names of companies that have committed to invest in the Philippines, although he did say these firms are giants in the automobile industry. "These are big companies in the automobile and spare parts sector," he said.

Japanese businessmen had earlier expressed doubts Government could lick the country's power problem by September this year, its original target. The Japanese had earlier said the power crisis could be licked only in 1995.

OFFER

Meanwhile, businessmen from the Japanese prefecture of Oita offered to help the Philippines solve its energy crisis. Morihiko Hiramatsu, Governor of the Oita Prefecture, said his province was interested in sending assistance to the Philippines.

"We can help you (alleviate) the power shortage which you are suffering from right now in terms of parts or machines to maintain the power plants," said Mr. Hiramatsu. The Japanese governor said that since Oita

already has many geothermal industries and is a large producer of liquefied natural gas, then the province is in a good position to lend assistance to the Philippines.

The initial stage of assistance will probably be in the form of technical transfer, after which Oita-based businessmen can then link up with Filipinos in joint ventures in energy projects. "If the first stage turns out to be successful then we can go into joint ventures," Mr. Hiramatsu said.

First Quarter GNP Increases Less Than 1 Percent

HK0106121593 Manila BUSINESS WORLD in
English 1 Jun 93 pp 1, 5

[Report by Meluchi A. Adriano]

[Text] The domestic economy continued to suffer from the doldrums in the first quarter, contracting slightly during the first three months of the year. However, when inflows from abroad are included in the picture, the country still managed to better its targetted growth rate for the period under this year's 3.5% growth scenario.

The latest figures from the National Statistical Coordination Board (NSCB) show that the value of goods and services produced in the country—gross domestic product (GDP) in economists' jargon—dipped by .17% from last December.

The contraction was largely brought about by the power shortage, which crippled the growth of industry. The industrial sector shrank by 2.99% because of declines in the output of the manufacturing and electricity, gas and water subsectors. These contracted by 5.05% and 2.21%, respectively, offsetting the huge 15.82% growth experienced by the mining and quarrying subsector. The construction subsector also managed to expand during the period, growing by 3.10%.

The two other major sectors grew slightly during the first quarter. The agriculture, fishery and forestry sector grew by 1.7%, while the service sector expanded 1.09%.

Sadly, the effect of the power crisis on the economy is seen to be worsening. Last year, though business was already reeling from the frequent brownouts, the country managed a more respectable .47% GDP growth rate.

in the first quarter of 1992, though agricultural output was down .24%, the services sector was able to hike output by .95%, and the industrial sector still expanded by .87%.

What has lately been saving the day for the Philippine economy is the increase in inflows from abroad—overseas contract workers' remittances, coupled with interest and dividends from Philippine investments in other countries. Thus, the gross national product (GNP), which takes these into account, grew by a positive, albeit miniscule, .9% for the first quarter. Last year's first quarter GNP growth was higher at 2.04%, likewise fueled by inflows from outside the country.

The latest GNP figure is slightly higher than the .7% Government had hoped to achieve in the first quarter under the 3.5% growth scenario. The latest national income accounts were presented at yesterday's Cabinet Cluster B meeting, which tackles the country's economic affairs. They are set to be presented at today's Cabinet meeting.

Pressed for comment, Central Bank Governor Jose L. Cuisia, Jr., who is a member of the cluster, said that while the country may have exceeded the .7% target for the first quarter, they may need to discuss whether Government should further downscale the 3.5% GNP growth it is gunning for this year.

TALL ORDER

Sources at the National Economic and Development Authority (NEDA), meanwhile, said the economy will have to hit an average growth rate of 4% for the remaining three quarters, a tall order given the energy crisis. Government had already cut its growth goal for this year from 4.5% to 3.5% last April because of the power shortage.

Socioeconomic Planning Secretary and NEDA Director General Cielito F. Habito earlier said that the outages would cost industry an equivalent of .6% in growth. Expansion of the agriculture and services sectors will likewise be .2% lower than they would have been with adequate power, he said.

Private Sector Projects Increase 2 Percent

HK3105051093 Manila Far East Broadcasting Company in Tagalog 0300 GMT 31 May 93

[Text] Private sector projects registered with the Board of Investments [BOI] have increased by 2 percent in the past four months. BOI figures reveal that registered investments for the past four months have hit 42 billion Philippine pesos, or 1,088 new projects.

Ramos Appoints Military Officer as Public Works Secretary

HK3105042593 Quezon City MALAYA in English 30 May 93 pp 1, 2

[Text] President Ramos yesterday named West Point graduate Gregorio R. Vigilar acting secretary of the Department of Public Works and Highways [DPWH]. Vigilar, a retired military engineer officer of the Armed Forces, became the first former military officer to be appointed in the Cabinet. The President had promised not to appoint any military officer to the Cabinet when he won last year's elections.

Vigilar, who is also a government nominee to the Philippine Long Distance Telephone Co. board, replaced Edmundo Mir, who goes back to his duties as DPWH undersecretary. Mir served as acting secretary when the President accepted the resignation of Jose "Ping" de Jesus early this year.

A civil engineer, Vigilar was involved in the planning, design and supervision of the construction of military facilities and in socio-economic-military projects such as feeder roads, deep wells, and prefabricated school buildings when he served as engineer officer of the Armed Forces. He has held various positions in the government. He was officer-in-charge of the Geothermal Power Development Projects of the Office of the Executive Secretary and assistant administrator of the National Electrification Administration.

Vigilar was executive vice president of the Filipino Contractors International Corp. and Philippine Agritech Organizers and senior vice president of Construction and Development Corp. of the Philippines. He obtained his Bachelor of Science degree in civil engineering and Masters in business administration from the University of the Philippines. Like the President, Vigilar is a graduate of the U.S. Military Academy at West Point, New York. He was a member of the Philippine Expeditionary Force to Korea from April 1954 to June 1955.

Thailand

Official on Disclosure Regulation for Drug Firms

BK0206015993 Bangkok BANGKOK POST in English 2 Jun 93 p 22

[Text] The Commerce Ministry will issue a regulation mid-month for drug companies to disclose details about the cost of their patented drugs, deputy minister Churin Laksanawisit said yesterday.

The announcement is part of a tacit agreement reached between Thai and US negotiators last month aimed at avoiding US retaliation on Thai exports.

One of the points of the agreement was an informal promise that the Thai Government would issue regulations stating exactly what powers would be exercised under last year's new patent law.

The Americans are concerned that the pharmaceutical patent committee's powers to examine whether patent-holders are abusing their monopoly could include the disclosure of trade secrets. The Thai delegation promised that the regulation would set limits on the information drug companies have to supply.

Under the draft regulation, the drug companies which register their products for patents in Thailand are obliged to disclose their production costs, retail prices, import prices and the management costs to the Price Fixing and Anti-Monopoly Committee.

Mr Churin said the companies have to compare prices of the same drugs used in other countries, particularly those at a similar level of growth to Thailand's, to the committee. If there are any changeable details, the companies should inform the committee later.

He said that this regulation would not affect the power of the Government's patent drug committee but it would create a clear guideline to the state agencies concerned.

Belgian Foreign Minister Holds News Conference

BK2905064793 Bangkok Radio Thailand Network in English 0000 GMT 29 May 93

[Text] Deputy Prime Minister and Minister of Foreign Affairs of Belgium Willy Claes paid a four-day visit to Thailand during his tour of the ASEAN region. As the next EC president from July this year onward, he looks forward to a strengthened and meaningful relationship with ASEAN, of which the presidency will be taken up by Thailand. He elaborated on this in the press conference, given at the Dusit Thani Hotel, before leaving for Hanoi on Thursday [27 May]. Khun Watsana Somwong reports:

[Begin Claes recording] The European Community is willing to develop its links with the ASEAN countries. We really believe that the ASEAN organization will play a more and more important role, not only in this region but on the international level. And so we are asking for a real partnership, not only from the community point of view but we are asking for the real political dialogue. Even if we [word indistinct], I will speak very frankly, that there are some important misunderstandings, especially on the field of human rights. And I really hope that during the coming world congress of the United Nations in Vienna in a few weeks we will have the opportunity to discuss about this and to find an agreement on this very important issue.

Of course, I feel very happy because in meeting my colleague of foreign affairs he said: Well, what are we going to discuss, because we have no specific problems between our two countries? And this is not a surprise because, as you know, from the beginning the relations have been based on very warm and meaningful friendship between the two royal families. But probably the reason why a lot of Belgian companies made important investment in this country, of course, there are lots of opportunities we can develop in the field of energy and for example transport, infrastructure, and so on and so on. I have to say that of course almost [words indistinct] our allegiance with his majesty the king in regards to which I had meetings with your prime minister, your deputy prime minister, and with of course my colleague of foreign affairs and with the minister of finance. And (?with them) there was discussion of course about the future of the GATT and especially the negotiations in the framework of the Uruguay Round. [end recording]

[Khun] Mr. Claes says that under the [word indistinct] presidency of the EC he wants to do his best to bring the negotiations to a global agreement. He remarks that the

world has been facing serious economic recession and confidence building is necessary and [word indistinct] at present so that the world can pull itself out of recession to be on recovery.

Minister Opposes Heavier Ecological-Violation Penalties

BK2805023193 Bangkok BANGKOK POST in English 29 May 93 p 6

[Text] Khon Kaen—Heavier penalties for companies that violate factory control laws seemed unlikely yesterday when Industry Minister Sanan Khachonprasat said that such punishment might deter foreign investors.

"This is enough. If we punish them, who will want to invest here?" he said.

The industry minister yesterday inspected the Phoenix Pulp and Paper Co in Nam Phong District, which has been closed for 30 days pending investigations into allegations it had polluted the Phong River by releasing waste water. Maj Gen Sanan said officials had checked the oxygen level in the river and found the quality of water had returned to normal. He said the factory had also completed the building of four waste water treatment ponds which it is believed will help reduce the amount of polluted water in the nearby Huai Chot pond.

The Royal Irrigation Department will help the pulp producing plant dredge Huai Chot pond, which covers about 400 rai, to clean out sediment. Maj Gen Sanan said permission for the company to open two new plants would depend on whether it could prove the waste treatment systems were efficient and there would be no further pollution of the river.

Industrial Works Department Director-General Pricha Atthawiphat said yesterday Phoenix had not violated the regulations concerning the expansion of its operations because it had informed the department within 60 days as required by law. Mr Pricha said the department would have to inspect the waste water treatment system thoroughly and the condition of the surrounding water and air before deciding whether to allow the factory to reopen. He said he also had to see whether there was sufficient evidence to take legal action against the factory for polluting the Phong River.

Phoenix chairman Sombun Nanthaphiwat has denied his factory polluted the river and claimed it had already improved the waste water treatment system according to Industry Ministry regulations. Mr Sombun claimed other factories along the Phong River had contributed to the water pollution.

The factory reportedly asked to lease the Huai Chot pond but this was rejected by the Royal Irrigation Department.

Bangkok By-Election To Indicate Military's Sentiments

BK0106091793 Bangkok NAE0 NA in Thai 1 Jun 93 p 4

[Editorial: "The Dusit Constituency Byelection Is Meaningful"]

[Text] From the first day of application for running in the byelection for Bangkok's Dusit Constituency, it appears that the byelection will be a contest between the government coalition parties on one side and the opposition bloc on the other, assuming no other candidates apply. The outcome of the election could indicate who, between the government side and the opposition, will control Bangkok in future elections.

It is assumed that other opposition parties have not fielded candidates because they have little voter support in Bangkok. Government coalition parties which have considerable traditional support in Bangkok have not fielded any candidates either. This indicates that government coalition parties are putting their strength together in order to go all out against the opposition bloc.

The Dusit constituency is unique in that among its voters is a large number of soldiers belonging to several military units in the district and their families. The candidate who wins these votes is virtually assured of winning the byelection. Therefore, the election outcome will serve as a gauge of whether the soldiers favor the government or the opposition. The opposition bloc and the government coalition parties will also be able to assess their chances in future elections held in constituencies which have soldiers as a majority of voters.

As was the case in the past two elections, pending a government decision, the election watchdog committee reportedly will also monitor the upcoming byelection. Senior officials of the committee have already met and are ready to carry out their task to ensure a fair election. However, certain committee members were charged with impartiality in the past. Providing there is no opposition to it performing its task, experience gained from the past two elections should enable the committee to ensure an impartial byelection.

Defense Ministry Reports Army, Navy Streamlining

BK0206100293 Bangkok Radio Thailand Network in Thai 0530 GMT 2 Jun 93

[Text] The Defense Ministry reported to the government during the cabinet meeting on 1 June that it has pursued the government's policy of streamlining the armed forces and, over the past six months, has reorganized the Navy and Army with a view to making them small but efficient. Under the plan, the Navy will reduce the number of new recruits by 10 percent starting from 1993. The army, meanwhile, has adjusted the enrollment of territorial defense students with a view to reducing their number as well as improving efficiency.

Concerning the missions to support national development, the Navy has provided protection for fishing

trawlers against piracy, provided personnel and weapons to carry out projects under the development program in the south, and supported the Forestry Department's program to prevent the encroachment of coastal mangroves and to rehabilitate coastal mangroves along national coastlines.

The Army has provided assistance to drought victims, set up task force relief centers for drought victims, and provided paramilitary units to support government agencies concerned in protecting forest resources throughout the country.

Government Planners Say Growth To Be 7.7 Percent

BK0106022593 Bangkok BANGKOK POST in English 1 Jun 93 p 17

[Text] THE National Economic and Social Development Board (NESDB), despite several pessimistic forecasts of a worse economic performance than last year, still predicts GDP [gross domestic product] growth will be 7.7 percent compared with 7.4 percent in 1992.

The official forecast was confirmed because clear signs of recovery emerged during the first four months of the year, NESDB Secretary-General Phisit Phakkasem said yesterday.

The Bank of Thailand shared the NESDB's confident economic forecast in its report to the Council of Economic Ministers yesterday. Deputy Governor Roengchai Marakanon said the moderate GDP growth rate of 7.7 percent would be favourable compared with the 2.2 percent rate globally which was lower than the earlier forecast rate of 3.1 percent. Also, world trade growth would be only 5.2 percent but was earlier forecast at 6.7 percent.

Thailand's economic growth rate would be among the highest in the world. The growth rate of Germany was expected to be minus 1.3 percent; France, 0 percent, the United States, 3.2 percent; Malaysia, 7.4 percent; Singapore, 7.5 percent; and Indonesia, 6.6 percent, Mr Roengchai said.

Even the International Monetary Fund said the Thai economy was stable with high potential to grow favourably. The economy during 1987-90 was overheated although the rates were high, he said.

Dr Phisit said the favourable growth rate in the first four months this year was stimulated by domestic demand with higher spending and investment in the private sector.

However, exports may slow down owing to the unfavourable world economy.

"The Prime Minister has asked the Commerce Ministry to strengthen our weak points and resolve problems in some markets," Dr Phisit said. The NESDB forecast exports this year at 930,000 million baht, about 50,000 million baht lower than the target set by the Commerce Ministry.

But lower exports would be offset by higher tourism returns, with the number of tourists to be higher than the target, said Government Spokesman Aphisit Wetchachiwa.

In its report to the council, the NESDB recommends the Government to urgently settle trade disputes with the United States, improve the tax structure to be in line with the ASEAN Free Trade Agreement, adjust public utility charges, develop human resources and technology to offset the disadvantages of the skilled labour shortage and to improve the structure of targeted industries.

The NESDB also recommends that the Government should stimulate private investment and direct foreign investment by removing obstacles and restoring confidence, distributing industries to rural areas, accelerating investment in basic service projects, clearing clouds over the stock market, deregulating procedures, supporting technology transfers and improving the Laem Chabang Commercial Port to make it competitive with the Bangkok Port.

The board told the Economic Council that public buying power has risen in urban areas. The prime indicator for spending is growth of sales by leading department stores in Bangkok. The rate is 6.1 percent while it was 3.8 percent in the same period last year. The value of imports of consumer goods also rose 17.5 percent, compared to 7 percent last year.

The NESDB attributed the sharp increase of imported consumer goods to a reduction of import tax on vehicles, making car sales rise by 53.7 percent compared with only 8.9 percent in the same period last year.

However, public spending for the rest of the year may be not as high as in the first quarter because the buying power of urban people has been adversely affected by the bearish situation of the stock market. People in rural areas have experienced low prices for farm products.

Spending therefore is expected to grow 6.6 percent this year compared with 6.5 percent last year.

The combined investment of BOI-[Board of Investment] promoted projects which began their operations during the first four months of the year amounted to 52,852 million baht, up 49.8 percent from last year. Most of the projects are small and medium size with investment ranging between 100 million and 500 million baht. Twelve big factories have a combined investment cost of 34,750 million baht. The number of projects applying for promotional privileges from January to April increased from 132 last year to 223 this year with combined investment increasing by 54.7 percent.

The sale of construction materials, one of the indices measuring investment, also rose by 6.5 percent compared with 5.8 percent in the same period last year.

The NESDB expected that private investment would expand further in the second half of the year because major infrastructure projects concessioned by the Government, with a combined investment of 56,224 million baht, were due to take off. These include Hopewell's

elevated transit project, the completion of the installation of more than 174,000 telephone lines and the delivery of a satellite scheduled in December.

Major investment projects of the private sector also began construction this year, particularly the oil refineries of Shell, Esso and Caltex.

Investment by the private sector this year would grow by 5.6 percent compared with 3 percent last year.

The Government's spending increased by only 13.6 percent during the first half of the fiscal year because of the parliamentary delay of the budget bill. However, the Government has improved the methods involved and has pushed state agencies to speed up implementation of their investment projects with a combined investment budget of 172,165 million baht. The Government's investment is expected to grow by 18 percent, which is quite favourable although lower than the rate of 22.5 percent last year.

Exports are expected to increase by 14.7 percent to 935,000 million baht, compared with 13.2 percent last year. The forecast is lower than the original projection of 981,000 million baht.

The NESDB said the number of tourists during the first quarter of the year amounted to 1.5 million, rising by 9.7 percent on the same period last year. This was because the world economy was recovering and the expansion of the East Asian market. The Chinese market alone expanded by 169.8 percent.

However, the NESDB noted that the prospects for tourism were not so bright because of the deterioration of tourism attractions and competition from other countries.

Industrial production in the first quarter expanded by 9.4 percent compared with 4.7 percent last year because of recovering domestic demand. The sectors which expanded significantly included beverage, metal, cement, galvanised iron and vehicles. Those suffering a decline included processed farm products and sea food.

The NESDB projects that the industrial production will grow by 11.8 percent compared with 10.7 percent last year.

Construction improved because of higher demand in housing estates, particularly low and medium price houses. The construction of condominium projects also increased. Space in 6-to-16 storey residential condominium projects increased five times and that of office buildings increased four times compared with the previous year.

However, production of almost all main farm products dropped. Rice declined by one million tons; maize, 183,000 tons; tapioca, 600,000 tons; and sugarcane, 12.8 million tons. This was mainly due to drought and water shortages. Despite lower production prices, particularly

of paddy, also dropped. The agricultural sector is therefore expected to grow by only 2.6 percent compared with 3.1 percent last year.

These sectorial performances are also reflected in the profits of firms listed on the Stock Exchange of Thailand. Apart from the agriculture-related sector and the financial institution sector, all other sectors enjoyed higher profits for their operations in the first quarter this year, particularly commercial banks, earning 10,811 million baht in profits, increasing 60.7 percent, and real estate development, earning 6,414 million baht in profits, up 45 percent.

The NESDB forecast that inflation this year would be 4 percent, while the deficits in the trade balance and current accounts would be equivalent to 7.2 percent and 5.3 percent of the GDP respectively, improving from 7.9 percent and 6.1 percent last year.

Vietnam

Kerry, Foreign Minister Hold News Conference

BK0106164293 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 1 Jun 93

[Report on joint news conference held by U.S. Senator John Kerry and Foreign Minister Nguyen Manh Cam in Hanoi on 1 June; Kerry speaks in English fading into Vietnamese translation]

[Text] [Announcer] Dear friends: At the conclusion of a two-day working visit to Vietnam by a joint delegation of the U.S. Senate and House of Representatives led by Senator John Kerry and representing U.S. war veterans organizations to obtain additional information leading to the settlement of the MIA issue, this afternoon, 1 June, Foreign Minister Nguyen Manh Cam and Senator John Kerry and members of the U.S. delegation held an international news conference to make public the results of this working visit.

In expressing his views to a large audience of Vietnamese and foreign correspondents, as well as representatives of many foreign embassies in the capital city of Hanoi, Vietnamese Foreign Minister Nguyen Manh Cam pointed out the significance of this working visit by the U.S. delegation and Vietnam's unchanged stand on the humanitarian nature of the POW/MIA issue. Foreign Minister Nguyen Manh Cam said:

[Begin Nguyen Manh Cam recording] [words indistinct] Through the various exchanges of views, we reasserted that the POW/MIA issue is a humanitarian issue. [words indistinct] therefore, we have cooperated with the U.S. side and will continue to do so to help resolve the POW/MIA issue. [words indistinct] we have opened an office in which to keep all documents related to the settlement of the POW/MIA issue. [words indistinct] [end recording]

Next, Senator John Kerry expressed his views, pointing out the concrete results of the U.S. delegation's two-day working visit as well as the evaluation that he and members of the U.S. delegation had made regarding Vietnam's goodwill and the important achievements of the search for U.S. personnel missing in Vietnam. Senator John Kerry said:

[Begin Kerry recording] I would like to thank His Excellency Foreign Minister Nguyen Manh Cam for the reception he has accorded us over the past two days, particularly for the conditions he created for our working visit in order to bring about results. As far as the United States is concerned, 31 May is Memorial Day, dedicated to those U.S. servicemen killed in past wars. We have returned to Vietnam on this occasion to continue our search. This is a very important step. The purpose of our trip is to search for missing U.S. servicemen. We, however, attach great importance to the fate of those Vietnamese who sacrificed themselves during the war, and we stand ready to help Vietnam resolve that issue. Based on the results of the two-day working visit, it can be said that the search for missing U.S. servicemen has ended in success, and I can tell you that the Vietnamese Government and people have created very favorable conditions for our search. We realize that a special effort has been made to help us achieve these important results.

For the past one and a half years, especially for the past four months, we have been allowed to have access to all Vietnamese bases, and we are now conducting research at the various archives containing documents very useful to our search. As examples, I can cite the Vietnam People's Army Museum, the Vietnam Air Force Museum, and many other facilities.

We have completed the investigation into 80 files concerning missing U.S. servicemen. The Vietnamese state has created conditions for us to meet and interview numerous eyewitnesses concerning the U.S. missing-in-action issue, including many generals and field grade officials of the Vietnamese People's Army who took part in the resistance war. I would like to cite some evidence on which my appraisal is based: Two weeks ago the Vietnamese Government agreed to the setting up of a combined document processing center to study documents sent in from various areas of the country. And yesterday 12 new documents were delivered to this center. This is a very important development because earlier, everything, ranging from the arrangement of meetings with eyewitnesses, the retrieval of human remains, the excavation of air crash sites, etc., was carried out in an inadequate manner. Now that we already have sufficient conditions to deal with them; we can study documents in archives. And through this center, we will have better conditions for completing this task. [end recording]

Next, Mr. John Kerry dealt with the cooperation with the Vietnamese side to resolve the question of Vietnamese missing in action. He asked Mr. (James Vessey) to present guidelines for U.S.-Vietnamese cooperation in

seeking Vietnamese missing in action. This involves the creation of conditions for Vietnamese and U.S. war veterans to get in touch in order to collect new information to supplement that already exchanged by both sides.

His Excellency Vietnamese Foreign Minister Nguyen Manh Cam then spoke, adding some points related to various encounters between the U.S. delegation and Vietnamese eyewitnesses and the setting up of a combined document processing center in Vietnam.

The foreign minister said:

[Begin Nguyen Manh Cam recording] [words indistinct] we welcome the efforts of the U.S. War Veterans Organization in this area. [end recording]

The U.S. senator answered a number of questions raised by some correspondents concerning U.S.-Vietnamese relations, a number of matters concerning a Russian document, and the next steps in the MIA search.

Phan Van Khai, Russia's Yarov Attend Talks

BK2805152593 Hanoi VNA in English 1507 GMT 28 May 93

[Text] Hanoi VNA May 28—The Vietnam-Russia intergovernmental commission for economic, commercial, scientific and technical cooperation held its second session in Hanoi from May 24-27 under the chairmanship of Vietnamese Deputy Prime Minister Phan Van Khai.

The Russian delegation to the session was led by Yuriy Yarov, deputy prime minister of the Russian Federation and chairman of the Russian section to the intergovernmental commission.

At the end of the session, the two sides signed agreements on air and maritime transportation and avoidance of double taxation. Preparations were still underway for the early signing of an agreement on investment promotion and guarantee and other agreements.

The two sides held that the implementation of agreements reached at the first session in July 1992 contributed to promoting economic, commercial, scientific and technical cooperation between the two countries on the basis of equality and mutual benefits. They exchanged views on how to broaden bilateral cooperation in the fields of oil and gas, energy, agriculture and consumer goods production. They also discussed how to broaden direct cooperation between eastern Russian areas with Vietnamese localities, and to reform the two countries' cooperation mechanism with a view to increase the volume of their goods exchange.

While here, the Russian guests were received by General Secretary Do Muoi of the Communist Party of Vietnam, and visited a number of economic and cultural institutions. They left here today for Ho Chi Minh City and some other southern localities to continue their Vietnam visit.

Report on Russians' Visit

BK3105094793 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 28 May 93

[Summary] "At the invitation of the Vietnamese Government, a delegation of the Russian Federation Government led by Deputy Prime Minister Yuriy Yarov, who is chairman of the Russian section to the Vietnamese-Russian intergovernmental commission for economic, commercial, scientific, and technical cooperation, paid a visit to Vietnam from 24 to 31 May 1993.

"While in Vietnam, the delegation visited the Ho Chi Minh Mausoleum, toured President Ho's residence and office, and was received by Do Muoi, general secretary of the Communist Party of Vietnam [CPV] Central Committee."

The Vietnamese-Russian intergovernmental commission for economic, commercial, scientific, and technical cooperation held its second session in Hanoi from 24 to 27 May. The Vietnamese and Russian delegations to the session were respectively led by Deputy Prime Ministers Phan Van Khai and Yuriy Yarov.

"Both sides held that the implementation of those agreements reached at the first session of the intergovernmental commission held in July 1992 helped spur the economic, commercial, scientific, and technical cooperation between the two countries on the basis of equality and mutual benefit.

"Both sides exchanged views on orientations and measures aimed at continuing to broaden cooperation in various areas—oil and gas, energy, agriculture, and the manufacture of consumer goods—to expand various forms of direct cooperation, especially between the Russian Federation's eastern provinces and various Vietnamese localities, and to renovate the system of cooperation in an appropriate fashion in order to increase the volume of barter trade between the two countries.

"At the session, both sides signed minutes of the second session of the Vietnamese-Russian intergovernmental commission for economic, commercial, and scientific and technical cooperation, an agreement on the avoidance of double taxation, an agreement on civil aviation, and a maritime agreement.

"Both sides prepared to sign at an early date an agreement on investment promotion and protection, and other agreements."

The session "took place in an atmosphere of friendship, cooperation, and mutual understanding."

During its stay in Vietnam, the delegation also visited a number of economic and cultural establishments, and met and exchanged views with Vietnamese businessmen.

"The delegation toured Ho Chi Minh City and a number of localities in the south from 28 April to 31 May 1993."

Vo Van Kiet Visits to Australia, New Zealand Viewed

*BK0206035493 Hanoi Voice of Vietnam in English
1000 GMT 1 Jun 93*

[Station commentary]

[Text] Prime Minister Vo Van Kiet returned to Hanoi on Monday [31 May] afternoon after successfully concluding his visit to New Zealand and Australia. Here is our radio editor's opinion:

Prime Minister Vo Van Kiet visited New Zealand and Australia from 24 to 30 May. This was the first official visit to these South Pacific countries since establishment of diplomatic relations. It holds an important event in the Vietnamese people's diplomatic activities in 1993.

In New Zealand, Prime Minister Kiet held talks with Governor General Ms. Catherine Tizard, Prime Minister James Bolger, and many other senior officials. The two countries signed an agreement on economic and trade cooperation as the basis to promote their existing cooperative relations.

Prime Minister Vo Van Kiet and his party had diversified activities in Australia. The prime minister held talks with the Australian Prime Minister Paul Keating in an open and frank atmosphere and compared notes on recent issues and bilateral relations. Mr Kiet also met Australian business representatives, informing them of the renovation process in Vietnam and calling on them to promote investment in Vietnam. Vietnam and Australia signed memorandum on development and cooperation. Australian industry and business is interested in Vietnam and is actively seeking involvement in key industries such as energy, oil and gas, information, telecommunications, and other economic activities. Australia promised to increase number of scholarships enabling more Vietnamese to study in Australia.

Vietnam highly valued the role played by New Zealand and Australia in establishing and broadening their friendly and cooperative relations with Vietnam. They have resumed overseas development aid for Vietnam and have many cooperative projects with Vietnam in economic, education and scientific fields.

Recent visits by the Vietnamese prime minister to these two countries in South Pacific, as well as his visits to the Republic of Korea, Japan, and ASEAN countries were aimed at tightening the relations with countries in the Asia Pacific region, and facilitating the success of the national renovation process.

Reportage on Visit of Belgian Foreign Minister

Bilateral Relations Previewed

*BK2905142593 Hanoi Voice of Vietnam in English
1000 GMT 28 May 93*

[Text] Belgian Deputy Prime Minister and Foreign Minister Willy Claes arrived in Hanoi Thursday [27 May],

starting a four-day official visit. This is the first visit to Vietnam of a foreign minister of Belgium since the establishment of diplomatic relations between the two countries in March 1973.

Mr. Willy Claes was welcomed by his Vietnamese counterpart Nguyen Manh Cam and Deputy Prime Minister Phan Van Khai. Foreign Minister Nguyen Manh Cam highly valued the visit by Minister Willy Claes, considering it an important event in the relations and cooperation between the two countries.

The two sides discussed issues of mutual concern. The Belgian foreign minister said Belgium will extend development aid to Vietnam for the period from 1992 to 1995 and will continue to write off Vietnam's debt in the second phase. He pledged to stimulate Belgian investors to come to Vietnam and deal directly in a wider range of economy, particularly in the infrastructural construction such as electricity, communications, and telecommunications and also to enhance scientific and technological cooperation between the two countries.

Furthermore, the Belgian foreign minister said his country will help accelerate Vietnam's relations with other member countries of the European Community, and specially at the early signing of the agreement on economy and trade with the EC and eventually the normalization of Vietnam's relations with the international financial monetary organizations.

Also at the talks, the two ministers reached an agreement for an early signing of the avoidance of double taxation, thus creating favorable conditions for rapid development of long-term cooperation for mutual benefit between the two countries.

After the visit to Belgium by Vietnamese Foreign Minister Nguyen Manh Cam and Deputy Prime Minister Phan Van Khai at the end of 1992, bilateral ties have been developed and expanded. Belgium helped Vietnam improve its relations with international financial and monetary organizations and reduced Vietnam's debt to its [words indistinct].

Vietnam also received Belgium's assistance in health care, education, the environment, mineral exploitation, exploration, and personnel training. At present, Belgium is the fifth country among other member countries of the European Community whose export turnover is \$13.5 million. [sentence as heard]

Claes Meets With Do Muoi

*BK2805152393 Hanoi VNA in English 1515 GMT
28 May 93*

[Text] Hanoi VNA May 28—The visiting Belgian deputy prime minister and foreign minister, Mr. Willy Claes, this afternoon paid a courtesy visit to General Secretary of the Communist Party of Vietnam Central Committee Do Muoi.

Speaking to his host, Deputy Prime Minister Willy Claes said that during his visit he and his entourage had a chance to witness great changes in Vietnam which were resulted from Vietnam's policy of renovation in the socio-economic fields and its broadened diplomatic policy as well.

He reiterated that the Belgian Government will continue its financial and economic support and assistance to Vietnam. Together with Vietnam Belgium will promote the friendship and all-sided cooperation between the two countries, and his country will actively contribute to stepping up the European Community's cooperation with and financial and economic assistance to Vietnam.

For his part, General Secretary Do Muoi highly appreciated the Belgian Government's goodwill of strengthening the friendship and cooperation with Vietnam as well as the friendship between Vietnam and EC as a whole.

He reaffirmed Vietnam's readiness to promote its friendship and cooperation with all countries for peace, stability and development.

Signs Energy Cooperation Agreement

BK0106065293 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 29 May 93

[Text] Mr. Willy Claes, Belgian deputy prime minister and foreign minister, and Vietnamese Energy Minister Thai Phong Ne held talks on 28 May in Hanoi to inform each other of the situation and possibility of energy exploitation in each country. Attending the talks were the Belgian ambassador to Vietnam and members of the visiting entourage.

The two sides signed an agreement on cooperation in which the (Chattibenk) Company is entrusted by the Belgian Ministries of Foreign Affairs, Foreign Trade, and Development Aid to study cooperation possibilities in the north-south high-voltage electricity transmission line with a fund of 13,460,042 Belgian francs.

By signing the agreement, the Belgian side wants to concretize its cooperation with Vietnam in the field of energy, which is one of major fields for our national development. The Belgian and Vietnamese Governments highly valued this new step in the friendship cooperation between the two countries.

Meets With Vice President

BK2905151593 Hanoi VNA in English 1408 GMT 29 May 93

[Text] Hanoi VNA May 28—The visiting Belgian deputy prime minister and foreign minister, Mr. Willy Claes, this afternoon paid a courtesy visit to Vice President Madame Nguyen Thi Binh.

Speaking to the guests, Vice President Binh highly appreciated the Belgian Government's economic and financial

assistance to Vietnam as well as its goodwill of strengthening its friendship and cooperation with Vietnam, and the friendship between Vietnam and EC as a whole.

For his part, Mr. Claes reaffirmed his wish for the development of the friendship and cooperation in various domains between the two countries on the basis of their available advantages and potentials.

Also in this afternoon, Foreign Minister Nguyen Manh Cam and Deputy Prime Minister and Foreign Minister Willy Claes held a press conference.

Speaking to the press the two ministers pointed out the fine results of the visit through the meetings of the Belgian guests with Vietnamese leaders in the spirit of cooperation and friendship aimed at strengthening their bilateral friendly relations. The two ministers stressed on the important significance of the visit in creating a new turning point in the relations between the two countries as well as contributing to promoting the ties between Vietnam and other EC member countries in the interests of each country, and for peace, stability and development in the world.

Mr. Willy Claes and his entourage will leave here for Ho Chi Minh City the 2nd leg of his visit to Vietnam tomorrow.

Views Debts, Lifting U.S. Embargo

LD2905172793 Brussels La Une Radio Network in French 1600 GMT 29 May 93

[Text] Belgium has proposed that some of Vietnam's debts be canceled. This is the outcome of meetings between Brussels and Hanoi. Foreign Minister Willy Claes is in Vietnam at the moment. Belgium could cancel some of Vietnam's commercial debt if Hanoi allocates the funds saved to health programs.

Speaking for the Twelve of the European Community, Willy Claes also thinks that it is time for the United States to lift its embargo against Vietnam, but the Belgian minister was careful to add that it is up to the Americans to make the final decision.

Dutch Prince Consort Makes One-Week Visit

BK3105154593 Hanoi VNA in English 1448 GMT 31 May 93

[Text] Hanoi VNA May 31—Prince Consort Claus of the Netherlands paid a week-long visit to Vietnam from May 20 to 27. He was accompanied by the director general of the Development Cooperation Department of the Foreign Ministry and the Dutch ambassador to Vietnam. During his stay here, Prince Claus met with Deputy Prime Minister Phan Van Khai, Foreign Minister Nguyen Manh Cam, head of the State Sciences Committee Do Quoc Sam, Deputy Minister of Education and Training Pham Minh Hac, and Ho Chi Minh City Mayor Trong Tan Sang. Prince Claus warmly greeted Vietnam's successes in renovation and he wished the Vietnamese

people happiness. He expressed hopes for further development of the cooperative ties between the two countries. The prince and his party toured Haiphong, the old imperial city of Hue, Ho Chi Minh City and a number of educational and economic establishments such as the Hanoi University and the Heineken beer joint venture.

Portuguese Party Delegation Meets With Officials

*BK3105155193 Hanoi VNA in English 1455 GMT
31 May 93*

[Text] Hanoi VNA May 31—A delegation of the Portuguese Communist Party led by Agostino Lopez, Politburo member and secretary of the Party Central Committee, arrived here today for a friendship visit.

The delegation paid tribute to President Ho Chi Minh at his mausoleum and visited his home.

Also today, the delegation held talks with a party delegation of Vietnam led by Nguyen Duc Binh, Politburo member and secretary of the party Central Committee.

The two sides informed each other of the situation in each country and the activities of each party and discussed measures to promote the friendly relations between the two parties and questions of mutual concern.

This afternoon, the Portuguese guests were received by party General Secretary Do Muoi.

Friendship Association Delegation Visits Bulgaria

*BK3105155993 Hanoi VNA in English 1438 GMT
31 May 93*

[Text] Hanoi VNA May 31—A delegation of the Vietnam-Bulgaria Friendship Association led by Nguyen Minh Thong, member of the Presidium of the Vietnam Union of Peace, Solidarity and Friendship organizations, president of the association and deputy minister of light industry, has paid a working visit to Bulgaria. While there, the delegation was received by Vice President Blaga Dimitrova.

It also had extensive discussion with business circles of Bulgaria resulting in the signing of trade contracts valued at 4 million US dollars.

Water Resources Minister Concludes Egypt Visit

*BK2905150393 Hanoi VNA in English 1419 GMT
29 May 93*

[Text] Hanoi VNA May 29—Minister of Water Resources Nguyen Canh Dinh successfully concluded his Egypt visit yesterday morning.

While in Egypt, Minister Nguyen Canh Dinh was cordially received by Prime Minister 'Atif Sidqi.

The Egyptian prime minister appreciated the Vietnamese minister's visit as a prelude to a stage of new, multi-faceted cooperation between the two countries.

He expressed his admiration to the Vietnamese people's heroic struggle in national defence and construction.

After informing the process of renovation in Vietnam, Minister Nguyen Canh Dinh expressed Vietnam's aspiration to strengthen its ties with Egypt.

Also yesterday morning, the Vietnamese minister had a working session with Deputy Prime Minister and Minister of Agriculture Yusuf Amin Wali, and visited a number of establishments of the Egyptian Ministry of Public Works and Water Resources.

Earlier, Minister Nguyen Canh Dinh had several working sessions with Minister of Public Works and Water Resources 'Isam Radi.

Official Denies Reported Buddhist Unrest in Hue

*BK0106154393 Hanoi Voice of Vietnam Network in
Vietnamese 1100 GMT 30 May 93*

[Interview with Le Van Anh, chairman of the Hue City People's Committee, by "identified VNA correspondent on the unrest in Hue City; place and date not given—read by announcer]

[Summary] Could you tell us about a foreign radio report claiming that a Buddhist layman burned himself to death in Hue City on 21 May 1993?

[Le Van Anh] "The Hue City People's Committee hereby confirms that there is no story about a Buddhist layman burning himself to death at the Linh Mu Pagoda. The truth about this can be summed up as follows:

"At approximately 0900, after receiving a tip-off from the Linh Mu Pagoda, the Huong Long village administration informed the city People's Committee that a man had killed himself in the backyard of the Linh Mu Pagoda. The authorities promptly sent an investigation team to the scene, where it found a man about 40 years old clad in civilian clothes. Beside him was an empty one-liter bottle with some gasoline still left in it."

Talking with the authorities, "Mr. Thich Tri Tu, a custodian of the Linh Mu Pagoda, said the man did not belong to the pagoda and that he personally did not know the man." Meanwhile, Mr. Thich Tri Tuu agreed with the local administration to let responsible organs take care of this dead man.

"A representative of the managing board of the Thua Thien Hue Provincial Buddhist Association also said there was no proof that the dead man was a Buddhist."

But later, "at noontime on 21 May, Mr. Thich Tri Tu had an altar erected at the place where the body was found and had a sign posted with the inscription: Here an ordained Buddhist burned himself to death."

After that, they wrote a letter demanding the return of the corpse for burial. "They also telephoned Mr. Thich Huyen Quang in Quang Ngai and some personalities living abroad to inform them that a Buddhist layman had burned himself to death."

As the local administration, we did our duty by going through various necessary procedures such as ordering an autopsy and writing a report on this death in the presence of a representative of the Linh Mu Pagoda.

"We also had a notice of the man's death broadcast on the local radio and television in hopes of finding his relatives. But because no one came to claim the body, we ordered the burial of the dead in an appropriate fashion."

[Correspondent] What about a related incident that caused a traffic jam at the Phu Xuan Bridge on 24 May 1993?

[Le Van Anh] "As mentioned above, while this case was being investigated to establish whether it was a suicide or a politically motivated murder, Mr. Thich Tri Tuu on 22 May 1993 sent a letter to the local administration demanding the explanation of a number of issues which we think that nobody could know more about than the custodian of the pagoda himself. Copies of this letter were also addressed to Mssrs. Vo Van Ai and Thich Huyen Quang and other Buddhist societies and organizations inside and outside of the country.

"Despite this, on 24 May the city People's Committee invited Mr. Thich Tri Tuu to its office to exchange views to clarify this case. While a representative of the city People's Committee was talking with Mr. Thich Tri Tuu, six monks from the Linh Mu Pagoda went toward the committee's office, shouting loudly over and over that Master Thich Tri Tuu had been arrested by public security agents. They then moved to the intersection on Le Loi Street and staged a sit-in on the road.

"Faced with such a situation, we asked Mr. Thich Tri Tuu to get into our car so that we could drive him back to the Linh Mu Pagoda. But while en route, a number of radical monks and novices led by Thich Hai Tang stopped the car that carried Mr. Thich Tri Tuu and persuaded those monks staging the sit-in to remain where they were. The radicals then overturned the car of the city People's Committee carrying Mr. Thich Tri Tuu and set fire to the car. This incident caused the traffic jam of more than three hours."

[Correspondent] Is it right that Mr. Thich Tri Tuu has been arrested, as claimed by Mr. Vo Van Ai on a foreign radio broadcast?

[Le Van Anh] "Mr. Thich Tri Tuu is now at the Linh Mu Pagoda. As for Mr. Vo Van Ai, after receiving a letter from Mr. Thich Tri Tuu, he promptly ordered Mr. Thich Tri Tuu's men to exploit the so-called self-immolation of a Buddhist to protest the alleged violation of human rights by the Vietnamese state. Everyone knows that Mr.

Vo Van Ai is the head of an organization based in France for the protection of human rights in Vietnam. Ironically, he has encouraged people to burn themselves to death so as to use this as a political pretext to slander and to tarnish our regime."

[Correspondent] Has the local administration established the cause of the death on 21 May?

[Le Van Anh] "The Hue City People's Committee has initially arrived at the following conclusions:

"First, there is no proof that the dead man was a Buddhist, and we are still unable to establish if the man really burned himself to death. We will continue to study all the mysteries shrouding this death.

"Second, the case has become more complicated due to the lack of goodwill on the part of Mssrs. Thich Tri Tuu and Thich Hai Tang, who want to take advantage of the death of a man to disturb public order and security.

"Third, the act of those monks staging a sit-in on a road to block traffic for many hours and the instigation of radical elements to set fire to a government car constituted a serious violation of the law. This must be dealt with according to the SRV law now in force.

"It should be further noted that earlier, taking advantage of the the first anniversary of Venerable Thich Don Hau's death, Mssrs. Thich Huyen Quang, Thich Hai Tang, Thich Tri Tu, and Thich Long Tri, in collusion with a number of evil elements at home and abroad, carried out many illegal activities not befitting the functions of genuine monks."

Books Published on Front for Liberation

BK0206005293 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 31 May 93

[Text] The National Publishing House has just published and released a set of books entitled *Under The Popular Flag* on the National Front for the Liberation of South Vietnam. The books depict the heroic struggle of our people of all classes and walks of life, and of our armed forces, led by the Communist Party of Vietnam under the flag of solidarity and collectivity of the National Front for the Liberation of South Vietnam, aiming to liberate the South and unify the fatherland during 1954-75.

Lawyer Nguyen Huu Tho was the chairman of the Guiding Editors Board, while Comrade Nguyen Van Linh was its advisor.

Hanoi Accelerating 'Equitization' of State Firms

BK0206151093 Hanoi VNA in English 1345 GMT 2 Jun 93

[Text] Hanoi VNA June 2—The Vietnamese Government has decreed a number of new measures to speed up the equitisation of state-run enterprises.

A new directive on this question says that the government is encouraging more than 10,000 operational state-run enterprises to change to other forms of ownership.

The transformation is to assume a variety of forms: to change to a stock enterprise, to sell all its assets [words indistinct] individuals, to sell part of its assets to become a joint enterprise between the state and other economic sectors, etc.

The sale, assignment, or renting of assets are applicable to those enterprises which are operating at a loss but cannot be transformed into stock enterprises nor have reached the point of bankruptcy.

Trial equitisation of state-run enterprises began in June 1992.

The government allows state-run enterprises under equitisation to sell shares to foreign organizations or individuals to make loans to their staffs in the form of shares with deferred payment. In specific cases, an equitized enterprise can enjoy reduction of revenue tax up to [words indistinct] years after equitisation.

A survey conducted recently shows that the state-run economic sector now has fixed assets two times as much as the non-state economic sectors. Yet, it accounts for only one-third of the GDP [gross domestic product]. In terms of remittances to the state budget, the non-state economic sectors [word indistinct] two times as much as the state sector.

Party Adviser Criticizes Cadres' Corruption

*BK0106034393 Hanoi NHAN DAN in Vietnamese
10 May 93 p 3*

[Article by party adviser Nguyen Van Linh: "Let's Act in Line With Uncle Ho's Instructions, Uphold Our Love for the Nation and People, and Resolutely Oppose All Indications of Negativism in the Party"]

[Text] President Ho Chi Minh is a symbol of the Vietnamese people's noblest virtues. He devoted his whole life to the struggle to bring about freedom and happiness to the masses. History has testified to his great contributions to the application of Marxism-Leninism to Vietnam; the founding of the Communist Party of Vietnam [CPV]; and the formulation of correct revolutionary lines, sound strategies, and flexible tactics suitable to each stage of development of the revolution. Thanks to his leadership, our party and people have overcome countless dangers and have won one victory after another. Our people and party also see in him good qualifications and unsurpassable ethics, which are the crystallization of the Vietnamese nation's traditions and moral virtues.

A salient fact about Ho Chi Minh's ideology and ethics lies in his love for the nation and people. When he was still a young man, he was already fully aware of our people's shameful plight and suffering because of the loss

of our nation. He spent many years in different countries searching for the path to save the country and people. He struggled untiringly and sacrificed everything to make the noble aspirations he had nurtured when he was still a young man come true. Even after he had become president of the state, he still regarded himself as "a soldier who receives the nation's mandate to go to the battlefield" and "a loyal servant of the people." In his address to our compatriots in May 1946 before leaving for France to participate in the negotiations, he said: "In my whole life, I have but a sole objective to pursue, namely, struggling for the fatherland's interests and the people's happiness. Whatever the circumstances I might find myself in—hiding in the jungles, serving prison terms, or facing dangers—I always kept that objective alive. Following the restoration of the administration thanks to our people's national unity, I was entrusted with the heavy task of handling national affairs. I worked hard day and night and made painstaking efforts to fulfill that very same objective.... Whatever circumstances I might find myself in and in whatever positions I might hold, I had but a sole objective to struggle for, namely, serving the interests of the nation and people." [Footnote 1: Ho Chi Minh: Complete Volumes - Su That Publishing House, Hanoi 1984, pages 136-137]. He voluntarily carried out the "loyal to the nation and devoted to the people" slogan and set good examples for party cadres and members to follow in that respect.

He loved the nation and people and nurtured deep hatred for bureaucratism and the tendency to look down on the masses. He often reminded party cadres and members of the need to show due respect for the people and to look after their interests. When our party was still unable to gain power, he encouraged party cadres and members to maintain close relations with the people, share weal and woe with them, and educate them. In his words, although the party assumes a leading role, the success of the revolutionary cause depends on the people. Acting in line with his instructions, large numbers of party cadres and members went out of their way to work in factories and rice fields, initiating the proletarian movement and launching the revolutionary struggle among the people.

When the revolutionary mass movement had gained a widespread foothold and gathered momentum, he led the party in establishing the various solidarity fronts suitable to each stage of the revolution, such as the Democratic Front, the Anti-Imperialist Front, the Viet Minh Front, the National Front for the Liberation of South Vietnam, and the Vietnam Fatherland Front [VFF] at present. He held high the "solidarity, solidarity, great solidarity; success, success, great success" banner."

Soon after the party had gained power, he realized the evils of bureaucratism, corruption, and waste. In a letter to administrative division, provincial, district, and village People's Committees in October 1945, that is to say less than two months following the declaration of independence, he said: "We must bear in mind that government agencies from the central down to village levels

must serve the people. This means that instead of bullying the people as was the case under the regimes established by the French and the Japanese... we must be loyal servants of the people. If we want the people to love and respect us, we must love and respect them first." [Footnote 2: Referenced book, Volume I, page 36].

Following the liberation of the north and the start of socialist construction there, he often reminded party cadres and members of the need to oppose bureaucratism, corruption, and waste. He strongly criticized those cadres who once they had assumed influential positions, quickly forgot all the good things that the people had done for them and only tried to serve their personal interests, thus plunging themselves more and more deeply in the quagmire of degeneration.

President Ho Chi Minh called on cadres and party members to exercise diligence, practice frugality, instill honesty, and uphold righteousness in wholeheartedly serving the country, people, and socialism. He explained:

"Diligence means we must increase productivity in work;

"Frugality means we must not waste time or the property belonging to ourselves or our people;

"Honesty means we must not practice and must always respect and protect public property [Footnote: Ibid. 17, page 76]; and

"Righteousness means we must do the right thing, no matter how difficult, and must ward off any error even if it is a minor one."

Regarding impartiality, President Ho Chi Minh said: "We must treat people and judge things with impartiality [Footnote: Ibid. 14, page 403], eager to do things useful to the country and beneficial to the people, and we must have no ambitions for position and fame or wealth and honor." [Footnote: Ibid. 14, page 403]

President Ho Chi Minh always emphasized that revolution means hardship, sacrifice, and readiness to endure suffering for a noble cause as well as for the benefit of the people and country. Along with his inner teachings, he exhibited a shining example of revolutionary ethics in each specific task, including those in his daily life.

Fighting under his banner and embracing his noble revolutionary ethics, the contingent of our cadres and party members has developed constantly over the past 60 years or more. Through various difficult stages of the nation's protracted revolutionary process, many of our comrades have upheld the moral integrity of a communist in serving the people faithfully without fear of sacrifice or hardship. It was the sacrifices made by the Vietnamese Communists for the country and people that encouraged their compatriots from the north to the south to rise up for the success of the victorious August Revolution and, later, to lead the two wars of resistance against the French colonialists and the U.S. imperialists to complete victories, thus crowning the country with

glory. Our entire nation was then reunified and elevated to a lofty position in the international arena.

These great achievements of our entire people had the worthy contributions of the communists. When the whole country engaged in socialist construction, a vast majority of party cadres and members continued to keep deeply in mind Uncle Ho's testament regarding the duty to contribute to improving the laboring peoples' material and spiritual lives as their guiding principle. Given the fact that socialist construction is a new undertaking, at times our party met with difficulties, displayed shortcomings, and even made mistakes. Our party, however, knew how to rely on the people and regarded their interests as the lofty objective of its overall plan of action. As a result, our party promptly restored its leadership role.

Under the slogan of regarding the people as the root and of doing everything to bring about happiness to the masses, the Sixth and Seventh CPV Congresses seriously analyzed the causes leading to mistakes and sluggishness and set forth correct renovation orientations. In response to the renovation undertaking initiated and led by our party, a vast majority of our party cadres and members have worked hard day and night to make the people rich and the nation powerful, thus creating conditions for our country to be on par with other world nations at an early date. Despite their old age and poor health conditions, many comrade retirees have wholeheartedly worked toward the goal of securing the future of the nation in accordance with Uncle Ho's teachings about the need to "remain loyal to the nation and devoted to the people." Examples of good people and good deeds—of which the communists account for no insignificant percentage—abound. It was that very lofty communist ideal which helped our party restore its prestige and survive extremely harsh challenges arising from the very complicated national and international situations.

Based on the information about the situations in the former Soviet Union and Eastern Europe provided by the mass media, including the Western mass media, our people have clearly realized that once the Communist Party loses its leadership role, the laboring people will bear the heaviest consequences. As a result, our people are grateful to the party for having adopted resolute measures to maintain political stability to guarantee national independence, unity, and security for the nation to make steady progress.

Despite the fact that a vast majority of party cadres and members have firmly maintained their fine quality and ethics, not a small number of others have forgotten, or worse still, have acted at variance with President Ho Chi Minh's instructions concerning the need to uphold one's love for the nation and people. Those elements have become degenerate and deviant. The Third Plenum of the party Central Committee (seventh term) has dealt with the problems concerning those degenerate and

deviant party cadres and members in a relatively adequate manner. These problems involve one's ideological stand, quality, and ethics.

In this article, I would like to focus on the evils of bureaucratism, corruption, and bribery which have reached a serious level without any signs of abating. Not a small number of people, including leading cadres in charge of high-level leadership and management apparatuses, have taken advantage of loopholes in mechanisms and policies to misappropriate public funds, accept bribes, and seek personal gains in an illegal manner, thus wasting state budget and public funds. Others have taken advantage of their position or the names of their agencies to engage in smuggling. All those individuals regard money as their central goal, and once they have money, they lead a life of luxury, overindulge in food and hedonism, get bogged down in the quagmire of degradation with every passing day, and turn a deaf ear to the people's criticism.

More serious still, many cases of corruption, smuggling, or bribery have been denounced by the mass media, but only very slow steps or slight measures have been taken to deal with them. Worse still, in some localities, action has been taken only against lower-level cadres. No bold measures have been taken against cadres in high positions. In other areas, action has been taken only against cadres in service whereas no measures have been adopted against violators who, through efficient bribe giving, "have retired" and henceforth "have landed safely." A number of cases have exerted a very adverse impact but have not been brought to trial yet. The causes leading to the aforementioned evils must be traced back to the heavy influence of protection. People also do not rule out the possibility of collusion between higher and lower echelons in carrying out corruption or smuggling schemes. The end result is that nobody is bold enough to take action "for fear of giving information leading to the involvement of people in high positions."

It is necessary to stress that corruption, smuggling, and bribery have reached such a widespread and alarming proportion that many people regard them as a national disaster. I praise the government for having clearly realized the seriousness of that situation and for having sharpened the determination to curb corruption, smuggling, and bribery, regarding this move as a key task in the immediate future and subsequent years. As far as this task is concerned, it goes without saying that words must match deeds. It is particularly important to avoid attaching too much importance to "rhetoric" while failing to take full and resolute measures.

I want to focus more on the danger posed by the aforementioned evils.

Uncle Ho often regarded corruption, waste, and bureaucratism as the enemies of the people and the allies of the colonialist and feudal systems. Therefore, because they systematically carry out corruption schemes which lead to heavy consequences but show no repentance, those

degenerate and deviant party cadres and members must be regarded as criminals inside the party. Their filthy deeds cause the people to doubt the party's leadership, breed internal disunity, and erode the masses' confidence in the party. Furthermore, in the interest of fairness, it must be said that given the current international situation when reactionary forces worldwide are trying by all means to overthrow the communist parties in the remaining socialist countries, including our party, the criminal activities of those party members are tantamount to lending a helping hand to the enemy. This is not to mention those elements who disguise themselves as party cadres and members and who take advantage of their high positions to seek money by selling themselves to the reactionary forces.

As far as this issue is concerned, it is very important to uphold political vigilance. It is true that acts of sabotage from within are always more dangerous than those from without. Our failure to take appropriate and timely measures against those elements who engage in corruption, smuggling, or bribe-taking schemes inside the party and state apparatuses will pose a great danger for our party and socialist state. The reason is that because then, social justice will be turned upside down, party and government organizations will be manipulated, and party cadres and members as well as government officials will alienate themselves from the masses with every passing day, and henceforth they will lose the people's confidence in them. Once they lose the people's confidence and support, how will our party and government survive the reactionary forces' extremely perfidious peaceful-evolution schemes?

Some people maintain that corruption, smuggling, and so forth are the inevitable consequences of the market mechanism. They also argue that under the market mechanism, party cadres and members, like everybody else, should know how to enrich themselves. Nobody denies that fact. We, however, must bear in mind that it is the strategic objective of the party-led renovation undertaking to successfully carry out socialist construction in our country. Given the present transitional period, our party follows the market-oriented economic development policy under state management and in accordance with socialist orientations to make the people rich and the nation powerful. It is our party's policy to encourage people to enrich themselves legitimately by making use of their wisdom and labor. Furthermore, as party cadres and members, we should see to it that the interests of the nation and people come first.

At present, we must admit the truth that as far as our society is concerned, poor people still account for a not insignificant percentage. In many urban and rural areas, especially in many high-lying areas, many people continue to lead a very harsh life. They do not have enough food, clothing, or education and medical facilities. They do not have access to books and newspapers, either. Even in Hanoi and Ho Chi Minh City, there are many slum areas where people live in unspeakable misery. Many youths are unemployed and many children have to

discontinue their education and lead a hand-to-mouth existence. Faced with such a situation, many party cadres and members have remained indifferent, or worse still, have sought ways to extort money from the people. Needless to say, there is no revolutionary sentiment left in those elements. In other words, they are no longer qualified to be party members. Uncle Ho once said: "Whatever we do, we must think of our compatriots and people first.... Whatever we do, we must see to it that the interests of the collective come first." [Footnote 6: Referenced book, Volume 8, page 127] These instructions of Uncle Ho must continue to be used as criteria for distinguishing party members and the masses. It is a violation of party membership qualifications to ignore the people's interests and think only of one's own interests. It is a real crime to take advantage of the position and power given by the party and state to extort money from the people to enrich oneself illegitimately.

Some people maintain that corruption, smuggling, and other vices are the consequences arising from the fact that cadres have to lead a life of deprivation and receive very meager wages. It is true that at present, our wage system and remuneration policy still display many irrationalities and that the majority of our cadres still find it difficult to make ends meet. Prompt measures are needed to overcome that situation. Otherwise, it will lead to adverse consequences. Everybody, however, must admit the truth that the vast majority of corrupt officials and smugglers do not find it difficult to make ends meet at all. Insatiable greed is the motive for their crimes. Because they want to enrich themselves overnight, they are ready to betray the country and to harm people. Therefore, I am convinced that generally speaking, if we succeed in getting rid of the evils of corruption and smuggling, our cadres will face less difficulties in their daily lives than they do at present. Other people argue that given the current widespread growth of corruption, smuggling, and other negative phenomenon, it doesn't matter if one misappropriates a small amount bit of public funds. But, it is not correct to think so, either. A French saying goes like this: "He who steals an egg will steal an ox." A corrupt practice, no matter how insignificant it may be, will cause the perpetrator to develop the habit of engaging in more serious ones, which, in turn, will gradually plunge him or her into the quagmire of degradation. A party member will lose his or her fine party membership qualifications and vanguard revolutionary role if he or she, instead of opposing other people's wrongdoings, deliberately follows suit. Furthermore, if nobody wants to exert self-control but readily accepts those wrongdoings, who else will carry out the struggle against corruption, smuggling, and other vices?

Some people also maintain that by opposing corruption, smuggling, and other vices, we will expose our own weaknesses and create conditions for the enemy to carry out counterpropaganda activities. But, it is not correct to think so, either. We expose the wrongdoings of party cadres and members to make the party stronger. Our people have faithfully followed the party for many decades now. Therefore, they will be wise and clear-sighted enough to fully understand the significance of that move and, together with the party, they will stand ready to foil every dark scheme of the hostile forces.

If we fail to oppose corruption and other vices among party cadres and members to make the party truly pure, then it will be difficult to firmly maintain and strengthen the masses' confidence in the party.

Needless to say, the struggle against corruption, smuggling, and other vices must begin first with party organizations and state agencies. It cannot be completed overnight. Haste, thoughtlessness, and failure to take into account political consequences all lead to negative results. Instead, it is important to set well-defined goals and objectives, as well as to make urgent, resolute, and sustained efforts. At the same time, it is important to proceed with caution and make proper moves. It is necessary to see to it that no criminals are allowed to go free, no innocent people are subjected to punitive measures, no loopholes are created for the enemy to take advantage of, and no adverse impact is exerted on political stability.

President Ho Chi Minh is a revolutionary genius and a preeminent strategist. His work style, however, is very practical. In commemorating his 103d birthday, let's show our gratitude to him through practical deeds. Let party cadres and members examine themselves, make every effort to develop strong points and overcome shortcomings, uphold their love of the nation and people, and join hands in the struggle against corruption, bureaucratism, waste, and other vices. As far as this struggle is concerned, we must bear in mind President Ho's instructions that it is equally urgent and important to struggle against corruption, waste, and bureaucratism and to fight the enemy on the battlefield. The first struggle takes place on the ideological and political fronts.

As far as battlefronts are concerned, preparedness, planning, organization, leadership, and determination are factors of success. The ideological and political fronts are no exception.

Australia

Evans: U.S. Aviation Policy Protectionist

*BK0206074893 Melbourne Radio Australia in English
0500 GMT 2 Jun 93*

[Text] Foreign Affairs Minister Gareth Evans has lashed out at United States aviation policy, branding it as unashamed, unblushing, protection of American commercial interests. He has also cautioned the U.S. to think very carefully before stepping up action against Australia in the war with America's Northwest Airline.

Australia has cancelled Northwest flights on the New York-Osaka-Sydney route claiming the airline has failed to comply with the 50 percent limit on the number of passengers from Japan. Straight cross flights are said to be terminated in retaliation and Senator Evans says Washington's attitude in aviation negotiations has never been particularly defensible.

Canberra To Protest U.S. Wheat Subsidies

*BK2905140893 Melbourne Radio Australia in English
0500 GMT 29 May 93*

[Summary from poor reception] Australia is to make an urgent representation to American trade officials in a bid to head off a new threat to wheat farmers. This news follows a report that the American Government is considering extending its subsidized export program to markets in which Canada is currently selling wheat.

A reporter quoted Primary Industry Minister Simon Crean as saying that if the U.S. goes ahead with the move, it would hurt so-called friendly nations like Australia, and he'll raise the matter with his U.S. counterpart immediately. Mr. Crean said: "I just don't see any logical basis upon which the U.S. can do this."

Fiji

Entire Cabinet Resigns To Pave Way for Reshuffle

*BK0106060293 Melbourne Radio Australia in English
0500 GMT 1 Jun 93*

[Text] The entire Fiji cabinet has resigned to allow a ministerial reshuffle by Prime Minister Sitiveni Rabuka. The spokesman for the prime minister says a new cabinet will be announced tomorrow.

The DAILY POST newspaper in Fiji says at least seven ministers are expected to lose their portfolios. They include the ministers for health, trade and commerce, primary industries, tourism, lands and mineral resources, information, and women, and multiethnic affairs.

The newspaper says the fate of the attorney general, (Kelemadi Valewa), and the minister for Fijian affairs and deputy prime minister, Ratu Timothy Vesikula, hangs in the balance. It says the new lineup is expected to include at least one new face—the former interim administration's land minister, Ratu William Tonga Nivalu. Gen. Rabuka said last March that the new cabinet would be chosen after a review of the performances of present ministers during their first year in office.

Papua New Guinea

Bougainville Rebel Arrested by Security Forces

*BK0206081793 Hong Kong AFP in English 0534 GMT
2 Jun 93*

[Text] Port Moresby, June 2 (AFP)—A leading member of the separatist Bougainville Revolutionary Army (BRA) has been captured by Papua New Guinea security forces, the island's provincial administrator said Wednesday. Sam Tulo said the recently captured Aloysius Makese, an Australian trained former Papua New Guinea Defence Force soldier, was responsible for rebel activities against security forces in south Bougainville.

Tulo said Makese had admitted leading attacks on government military aircraft on the island province to the north-west of the mainland, adding that security forces had found in his possession documents detailing rebel operations on the island. Separatist rebels demanding mineral-rich Bougainville's independence from Papua New Guinea, began militant attacks in December 1988, the situation escalating into crisis a year later when the giant copper mine at Panguna was moth-balled after repeated attacks.

Meanwhile, security forces claimed to have shot and killed five rebels in clashes in Arawa, Bougainville's administrative and commercial capital, retaken by government forces. And in another development, the International Red Cross Committee in Geneva is to formally protest to the Papua New Guinea government over the security forces refusal to allow its envoy to visit Bougainville.

International Red Committee representative for the Asia-Pacific region Jean-Francois Berger was refused entry into Bougainville on May 28 in spite of approval by the minister responsible for Bougainville, Michael Ogio. Papua New Guinea Red Cross Society chairman Loani Henao said Berger, who was to have visited the island to assess medical needs of the people, was prevented by security forces from leaving the northern coastal port of Rabaul. No reason was given for the refusal, he said. "It's the security forces that are causing us problems—it makes me wonder who is in control," Henao said, adding that the Red Cross should be allowed to carry out its duties unhindered.